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INTERNAL IMPROVEMENTS IN NORTH CAROLINA

PREVIOUS TO 1860

BY

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PREFACE

The aim of this study has been to present the movement for internal improvements as it affected the State as a whole, and to discuss the most important enterprises that were undertaken during a limited period. In its preparation I have used State laws, reports of the various State officers and the State newspapers of the time. There are also some contemporary narratives, such as Judge Murphy's "Memorial," which have been of assistance. But, for the greater part, I have had to depend upon the documents found in the State Library at Raleigh. In addition to this, President Peacock kindly gave me access to the very fine collection of North Carolina literature at Greensboro Female College.

The work stops at the outbreak of the Civil War, for there are several reasons why this is an appropriate point to close the subject. In the first place there was at that time a complete suspension of public works in the State. After the war those which were undertaken were of a different kind and were carried on by totally different methods. Then too, during reconstruction, the question was one which was intimately connected with politics, and was more than a mere question of internal development.

I owe to Dr. J. S. Bassett, of Trinity College, North Carolina, the suggestion of the subject of the study. I owe also my very sincere thanks to Dr. J. C. Ballagh, of the Johns Hopkins University, under whose direction the work has been carried on, and whose advice has been of the greatest assistance.

C. C. W.

June, 1900.

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PART I

CHAPTER I

Beginnings

Internal improvement as a comprehensive project of State activity first came forward in the General Assembly of 1815. Heretofore such matters had been left to private companies, although the State had given aid. These efforts had been, so to speak, local in nature. Now a system was to be inaugurated and the State was to take a hand in the matter as one that concerned public welfare. In this North Carolina was but one of a number of States which had turned their attention to internal development. In New York Clinton had conceived the great Erie canal. Pennsylvania had long before set the example, and more recently and nearer home Virginia had established a fund for a similar purpose.

The Legislature of 1815 appointed a committee on the subject which reported a plan substantially as follows: Companies should be incorporated for improving the navigation of the principal rivers, companies to hold their rights forever; 2, the rights and privileges of the company should extend from the source of the river to its mouth or to the State line and to all tributary streams; 3, each company should be entitled to levy such tolls as would yield fifteen per cent on capital invested; 4, the State should subscribe one-third of the capital stock of each company; 5, a Board of Commissioners was to be appointed to super-

intend public works, two engineers were to be employed, surveys were to be made and reports were to be returned annually to the General Assembly. The board was, furthermore, to expend the money appropriated, to recommend new works, and to collect information concerning agriculture, commerce, soil, climate of the State, etc. The bill passed the Senate but was killed in the House of Commons.[1]

Public works, however, were not abandoned. The Roanoke Navigation Company was soon incorporated with $25,000 subscribed to its stock, and the Cape Fear Navigation Company, chartered years before, was aided by a $15,000 subscription. Four men[2] were appointed to have surveys made of Roanoke, Tar, Neuse, Cape Fear, Yadkin and Catawba rivers and to see if communication between the Cape Fear and Yadkin might be opened. During the summer of 1816 a Captain Clarke surveyed the Albemarle and Croatan sounds and Roanoke inlet, and in the fall of the same year Colonel Benjamin F. Baldwin of Massachusetts was employed as engineer and surveyed the Tar and Neuse rivers. In 1816, also, the Committee on Inland Navigation submitted a report which related to the improvement of inlets, to the opening of the principal rivers, to the junction of two or more of those rivers by means of canals, to the concentration of commerce at a few points by means of the foregoing improvements.

Captain Baldwin having left, the year 1817 was spent in fruitless efforts to get a permanent surveyor. The following year surveys were directed to the Yadkin, the Cape Fear, the country between the Cape Fear and the Yadkin, the country between the Roanoke and the Pungo, that between the Roanoke and the Tar, that between the Tar and the Neuse. The reports of these surveys were submitted to the General Assembly in 1818 and 3000 copies were ordered printed.

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[1] See Murphy's Memorial on Internal Improvements.

[2] John Hayward, Peter Brown, William Boylan and Joseph Gales.

In 1819, on account of the difficulty of securing surveyors in the United States, an effort was made to secure one in England. Finally, Mr. Hamilton Fulton was employed at a salary of £1200 sterling. He came highly recommended and arrived in July of that year and at once visited the various rivers that were to be improved. A plan of works was furnished him as a guide on which he was to base his report. The suggestions relate to the various enterprises that had been contemplated by the State and he was expected to report on the feasibility of each. The plan embraced, 1, inlets on the coast; 2, sounds on the coast; 3, primary rivers; 4, junction of two or more of these rivers by navigable canals; 5, public highways, and, 6, the draining of marshes and swamps of eastern and southern counties.

This plan, it will be noted, is an extension of the first plan contemplated by the State and follows the original very closely. It will be seen at a glance that it was also an effort to suit the needs of all sections. The West needed—and badly, too, if travelers are to be believed[3]—good roads; the East was interested in the speedy opening of rivers, while in the South disease was abundant on account of the marshy and waste land. On account of the swamps vast tracts of valuable land were lying neglected and, instead of being cultivators of the soil, the people made tar and turpentine.[4] Finally, all parts of the State were interested in the opening of the inlets and sounds of the coast in order to build up a home market and to facilitate commerce, which was necessarily limited to vessels of very small carrying capacity and even then was exceedingly dangerous.

Such were the plans that the pioneers of North Carolina projected for the development of the State. The project was immense, considering the day when it was undertaken, and it was drawn up with wonderful foresight. In truth,

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[3] Olmstead: Seaboard Slave States.
[4] Williamson: History of North Carolina, vol. ii, ch. xiii.

however, it was too comprehensive and was too diffuse. It failed to recognize the fact that to undertake and carry out the improvement of one river or the making of one good road at a time would have been more beneficial than scattered efforts made at so many places. The plan, however, met with approval outside of the State, as may be seen from the following extract written in 1821: "Our readers will easily perceive, by this short sketch, with what wisdom the whole scheme has been formed. The State has taken the precaution to have accurate surveys made of every part so that no expense may hereafter be wasted in attempts, which must ultimately fail. In different parts of our country, we have seen such abortive atempts, which might have succeeded, or at least, the expense of trial have been saved, by skilful management at first. The commissioners have also acted on the profoundest principles of policy and economy, in securing the aid of an engineer, in whose skill, judgment, and other qualifications, unlimited confidence can be placed. This is laying a solid foundation. Everything will have unity of design. Each part will not only sustain itself but contribute its due share in strengthening the others."[5]

This plan[6] of operations will furnish an excellent starting point from which to carry on the investigation of the subject. It may be necessary at times to go back of this period, but to no great degree, for the greatest activity in the matter of internal improvements was from this time forward. The action of the State is mirrored in the reports of the Board of Internal Improvements, which was established in 1819.[7] The act which created this board provided, at the same time, for the creation of a fund which

[5] Article in N. A. Review, 1821, vol. 12, p. 26, on "Internal Improvements in North Carolina," based on Judge Murphy's Memorial.

[6] The Memorial of Judge Murphy is the classic on the subject. It is wonderful in the completeness of its detail and the breadth of the design.

[7] Laws of N. C., 1819, ch. 989: "An act to create a fund for internal improvement and to establish a board for the management thereof."

was "to be applied exclusively to internal improvements, unless necessity demanded it to be applied elsewhere."[8] Other sections of the act provided that the board was to be known as the "President and Directors of the Board for Internal Improvements;"[9] chosen annually by joint ballot of the Legislature[10] with the Governor as ex-officio president;"[11] that the fund established was to "consist of net proceeds from the sales of lands recently acquired from Cherokee Indians;"[12] that the board was to appoint an engineer to superintend public works;[13] was to meet annually;[14] the fund to be deposited in the State treasury,[15] and that the "President and Directors of the Board were to have power to subscribe in behalf of the State to such public works as the General Assembly may from time to time agree to patronize,"[16] and "when an appropriation was made to any corporation the State should be considered a stockholder with as many shares as money advanced."[17]

Each year the board was to report to the Legislature the exact state of the fund.[18] The act[19] which ordered the sale of the Cherokee lands provided that no land should be laid off for sale except such as would sell for at least fifty cents per acre, and that there should be reserved a site for public buildings and 400 acres of land out around said site for future disposition of Legislature; all land not valued at the minimum price was to be likewise reserved. The land was to be laid off in sections of 350 acres and to be classed as first, second or third quality, and it was expected that land of the first quality would sell for $4 per acre; second for $3 and the third for $2. In case they did not bring these prices, the commissioners might stop the sale. A discount of 8 per cent was allowed for cash. The minimum price was subsequently reduced so that land of first quality was to sell for $3 and of second for $2, and

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[8] Ibid., sec. 1. [9] Ibid., sec. 3. [10] Ibid., sec. 5. [11] Ibid., sec. 4.
[12] Ibid., sec. 2. [13] Ibid., sec. 7. [14] Ibid., sec. 8. [15] Ibid., sec. 10.
[16] Ibid., sec. 11. [17] Ibid., sec. 12. [18] Ibid., sec. 2. [19] Laws of 1819.

third for $1.50,[20] and lands that were for any reason likely to bring less were to be bidden in by the commissioners for the State. Still later third grade lands were reduced to $1.[21] Still later the price was reduced to $1.50, 75 cents and 25 cents for each of the grades respectively.[22] In 1836 new land having been acquired, the land was divided into classes according to quality, with prices ranging from $4 down to 25 cents.[23]

In 1823 an act was passed "for the relief of such persons as became purchasers of the Cherokee lands,"[24] making the terms of payment somewhat easier, and this act was itself amended in the two following years.[25]

Thus, it will be seen, the fund, depending as it did on such sources, could not avoid fluctuation. In 1832 attention was called to the fact that since the banks of Newbern and Cape Fear had ceased to declare dividends the receipts from the bonds given by the purchasers of Cherokee lands was the only source of revenue for the fund.[26] Besides this, an act of the Legislature had directed the Treasurer "to abstain from collecting any money due upon Cherokee bonds, given for land lying within the county of Macon or within the county of Haywood,"[27] and in consequence the collections had been largely suspended. The next year[28] it was disclosed that the "fund had become so reduced as to have but little more than a nominal existence" and without prospect of much benefit from any of the resources in the control of the board. As before, the only source of income was the Cherokee lands which would at best "be inconsiderable; but owing to the unsettled state of the title to those lands, collections have of late been almost entirely suspended." In 1836[29] it was enacted that there should be appropriated

[20] Laws of 1821. [21] Laws of 1822. [22] Laws of 1833.
[23] Laws of 1836. [24] Laws of 1823. [25] Laws of 1824-25.
[26] In 1821 an act was passed which added to the Internal Improvement fund the dividends of the stock held by the State in the Banks of Newbern and Cape Fear. It was this stock which had now ceased to draw dividends. [27] Laws of 1829.
[28] Treasurer's Report, 1832. [29] Laws of 1836. ch. 22.

to the Internal Improvement Fund the surplus revenue received from the United States Government except $300,000 which was to go to the redemption of the public debt, a like amount to be paid for stock in the Bank of Cape Fear and that part which was to be applied to Literary Fund, and $100,000 to go to defray civil and contingent expenses of the State government. By 1852[20] it was reported that the duties of the board have become little more than the appointing of representatives and directors on behalf of the State in the various internal improvement companies and ordering payment for the works of public improvement. The fund had been transferred to the public treasury.

A tabulated statement of the receipts and expenditures of the Board of Internal Improvement will show the scale on which works were being attempted by the State, through this period of activity covering about twenty years.[21]

Year.	Expenditures.	Cash Receipts.	Balance.
1817-1821[22]	$220,816.25½	not given	not given
Nov. 17, 1828	12,997.54½	$195,565.04½	$6,559.00
1829	12,949.22½	21,389.70½	8,840.48
1830	9,949.60	13,973.48½	4,023.88½
1831[23]	22.50	4,559.98	7,944.19½
1832	9,732.15	2,601.36	813.40½
1833	1,458.61	1,292.93	979.08½
1834	246.89	5,807.23	6,539.42½
1835	26.28	14,736.17	21,249.31
1836[24]	26.35	16,194.93	37,417.89
1838	894,616.25	898,386.51	3,752.26
1840	318,252.82	312,327.83	2,172.73

[20] Report of Board of Internal Improvement, 1852.

[21] These statistics are taken from the Reports of State Treasurer, and will be found as appendices to the acts of Assembly for various years.

[22] There is no statement by years for this period. The figures given are taken from a report made in 1827.

[23] No board having been elected, this amount was the only appropriation and this was made by the Legislature, as money could not be drawn.

[24] After 1836 these figures represent two years instead of one.

CHAPTER II

General Movement

As indicated above, the general policy of the State was at first to render aid to corporations in public improvements. In this there were two methods open. One was to make an appropriation outright to a company for a certain purpose and the second was to offer to take a certain percent of the stock. The amount to be subscribed by the State may be said generally to have been two-fifths, the remainder being provided by private subscriptions. Of these companies there was no dearth. It was not long before the idea grew from an "amiable enthusiasm" into an "excitement that seems to pervade every section of the State on the subject of internal improvement."[1] The impulse for schemes of this kind was urged on by the rapid growth of other States, the fear that North Carolina would not keep pace, and the alarm with which the citizens saw their products go to other States without building up a market of their own.

Conventions were held in various parts of the State. One of these, held in 1833, of which D. L. Swain was president, adopted resolutions to the following effect: A committee of twenty was to be appointed to publish an address to the people of the State on the subject of internal improvements. Committees of twenty were to be appointed in each county for the purpose of corresponding together, distributing the address and otherwise promoting the object of the convention. Each county was to elect three delegates to a convention to meet in Raleigh on the fourth Monday in November of the same year.

[1] Governor's Message, November 18, 1833.

In pursuance of this call the convention, in which forty-eight counties were represented, assembled in Raleigh. A practical illustration of the need of public works was shown by the "Committee on Internal Improvements for North Carolina.[2]" Some of the facts are instructive.

Salt in the Eastern market cost from 40 to 50 cents per bushel. The expense of transportation brought the price to $1.50 per bushel by the time it reached the farmers of Iredell county. This cost for transportation could be reduced, it was said, from $1.00 to 25 cents per bushel. Iredell county alone consumed 500 bushels per year, and thus in one county there would be a saving to them of $3750 per year.

The convention faced an important problem, and one of the most perplexing in the State's history. How were all sections to be equally and fairly treated in regard to internal improvements? This was the burning question and this could only be solved by compromise, and compromise meant that the result would not be satisfactory.

According to the ideas of the members of the convention the State should be divided into five distinct sections with divergent interests; (1) northern counties; (2) Tar river and Neuse river counties; (3) counties trading with Cape Fear; (4) extreme west; (5) middle counties on the Roanoke.[3]

An extended plan for improvement was set forth which aimed at avoiding sectional jealousies. For the carrying out of the project it was estimated that $5,000,000 would be sufficient. This could be borrowed, perhaps with interest at 4 per cent, or not over 5 per cent. The payment of the principal could be long postponed and by borrowing $100,000 at a time interest would not be so heavy. The first million expended in public works would soon bring

[2] Duncan Cameron was chairman of this committee. Forty-four counties voted for the report and four against it.

[3] These schemes will be considered in detail in their proper connection.

in an income that would aid in paying the interest on the second, and so on. Another result would be that this loan would bring in a circulating medium, a thing that was much needed.

The action of this convention of 1833 was endorsed by the legislative committee of the following year. In accordance with the plans of the convention, meetings were held in various parts of the State for the purpose of considering the question. The legislative committee of 1834 recommended that the State offer aid to the companies engaged in work of this kind on the basis which the convention had suggested. Still another State convention was held in Raleigh in 1838.[4] This meeting presented a memorial to the General Assembly. The convention itself was composed of nearly 200 delegates and represented nearly 40 counties. It gave the question of internal improvements a "week of earnest consideration" and made certain requests of the General Assembly. The memorial which it presented was referred to the Senate Committee on Internal Improvements and the report which they made concurred in substance in the opinions expressed by the convention. They also recommended that the State borrow $3,000,000 for carrying out the plans set forth by the convention, and made provision for aiding several projects for improvement, making specific appropriations to some and to others offering to subscribe as much as four-fifths of the capital stock.[5] Not only were conventions held but

[4] Other conventions were held in different places, some discussing the general question of public works and others devoting their attention to some one scheme. Among them may be noted a meeeting at Salisbury in October, 1833, and one in Greensboro in 1838, which issued the call for the Raleigh convention. The Greensboro meeting was presided over by Governor Dudley. The convention declared that they were "deeply impressed with the conviction that the best interests of North Carolina require her Legislature to take energetic and liberal measures in promotion of extensive and judicious schemes for the development of her vast resources." See Greensboro Patriot, July 13, 1838.

[5] Report of Senate Committee on Internal Improvements, 1838.

societies were organized in various localities for promoting the interests of internal improvements. For example, one was started "by the citizens of Pasquotank for the purpose of promoting internal and agricultural improvement and to act as an auxiliary to a similar society in Raleigh."[6]

The officials of the time were fully alive to the demands which the people made for an opportunity to develop the State. In 1833 the Governor in his message to the Legislature says that a more liberal system has become imperatively necessary.[7] The questions which came up for discussion in the course of the message are pertinent and practical. Was the condition of the country suspectible to improvements—especially the improvement recommended? Should a fund be established in proportion to the work? Should the public treasure be exclusively employed or should the State offer aid to incorporated bodies? These were just the matters which the Board of Internal Improvement had had under consideration, but the Governor adds that it is his opinion that great channels of intercommunication demand the exclusive attention and patronage of the National Government. In regard to local improvement the State should organize and incorporate companies and subscribe for a uniform portion of stock in each.

This "amiable enthusiasm" which pervaded the State was not at all times equally vigorous. Things did not go as smoothly as was predicted. Many events combined to cause discouragement. There were two or three general causes of failure that we find distinctly apparent and their presence is easily established from contemporary documents. One of the most prominent of these was the failure to accomplish all that was anticipated. As early as 1825 prejudice manifested itself on account of the failure

[6] Greensboro Patriot, July 4, 1829. The paper adds, "We wish them success; and we wish furthermore that their example may be imitated."

[7] Governor's Message, November 18, 1833.

of several of the navigation companies.[8] In one of its reports[9] the Board of Internal Improvements says that when the State first went into the matter it had had no experience for guidance and was stirred up by the success of other States. The result was wild speculation which could lead only to disappointment. The Legislature was not willing to see all the work come to naught and so left the Board of Internal Improvements but made no provision for the undertaking of new work. Not only so, but for all the vast plans laid out only $40,000 annually was contemplated for expenditure. Politicians devised the plans and undertook the execution "with a fund not larger than some of our citizens employ on their estates. . . . This system was persevered in until $50,000 was lost to the treasury. The public was discouraged and improvement was abandoned." The mistake was undoubtedly made in attempting to do too much at one time, and that too, with a fund that would scarcely have successfully done the least difficult. This policy was the result of "narrow views, local prejudices and sectional jealousies."

In 1834 it was declared that "no general system of general improvements can be carried on by incorporated companies."[10] The causes of failure of so many companies were said to be found not in the difficulty of the work and inexperience alone, but in other reasons. 1, There was no surplus capital in the State seeking investment. For the most part stock in the companies had been subscribed by agriculturists to whom profits were a secondary matter and an outlet for products was of primary importance. These people were not able to devote the necessary attention to the various enterprises. 2, there was no great body of laborers seeking employment; negroes were slaves; farmers and mechanics were otherwise em-

[8] Report of Board of Internal Improvement, 1825.
[9] Ibid., 1833. This report is a full explanation of all the plans for public works and an able discussion of the whole question.
[10] Report of Board of Internal Improvements, 1834.

ployed and would only leave their occupation for the prospect of extraordinary gain. The work had, therefore, been left to greedy adventurers who alone appeared to bid for the work. The consequence was that "few public improvements had been done in a proper manner and at a fair price." Nevertheless, afterwards their faith seemed still unshaken, for it is declared that "internal improvements were indispensable to the development of the State."[11] After another two years the Board of Internal Improvements refused to recommend any extended system of public works since the State would have to resort to a loan or to taxation and the board thought the time unpropitious for either.[12] In the very next year the advocates and enemies of internal improvement clashed decisively. The fight was in the committee of the Legislature and two reports were brought in.[13] The majority report, signed by four members, was hostile to internal improvements because the State had aided various railroad and other corporations which had secured the profits and left the State to bear all the loss. If the State should enter into any extensive schemes of turnpike building as was proposed, would not this prove the same as others of like character? As for those works that were held to be of national importance, such as the opening of Roanoke inlet, the majority declared that even if practicable it was still a question whether or not the Federal Government has a constitutional right to carry on such works.

In this last sentence is a key to the situation and the whole dispute is further explained by the minority report, which was signed by three members. This report lamented the insane cry which was being raised against railroads as a tool of the rich, since such a cry could only come from a lack of information. A few years before the whole State had been in favor of internal improvement.

[11] Senate Resolution, December 14, 1840.
[12] Report of Board of Internal Improvements, 1842.
[13] Ibid., January 27, 1843.

The minority recognized that a change had come. Why was it? They knew of no error which had been made which would have led to such a revulsion of feeling. The trouble, as they saw it, was that the matter had been dragged into politics and attempts had been made to throw the whole blame on the Whig party, when in truth both parties were responsible; for the movement for internal improvements was the work of men in both. As for help from the general government, North Carolina was not begging aid—she was demanding a right. According to the opinion of the minority it was folly to speak of the unconstitutionality of the action of the general government in aiding public works. That question had been settled. The railroads had been a success and to refuse to build turnpikes would be to shut up the West forever. Not only do we see in the report signs of discord which indicate that the question had been involved in general politics, but in local matters it was still more vital.

CHAPTER III

Political Aspects

Here it will be necessary to show the position of the State in regard to national affairs. In the two elections of Jackson, North Carolina cast her vote for "Old Hickory" as she did also for Van Buren. But in the next election she gave her vote to Harrison, and then to the great exponent of Whig doctrines, Henry Clay. In 1848 she continued in the same faith and voted for Taylor, but when the avalanche came that overthrew the Whig party in 1852 she cast her vote for Pierce and against Scott, whom the Whigs thought would ride into the presidency, as Taylor had done, on his military reputation. In the next election her vote went to Buchanan, and in the contest which made Lincoln President she voted for Breckenridge. This brief summary shows the position of the State in regard to national politics.[1] But there were other matters that gave local color to the campaigns throughout almost this whole period. This was the question of free suffrage and equal representation.

The constitution which North Carolina had adopted in 1776 was not a model in every respect.[2] It vested the legislative authority in a Senate and House of Commons. The members of the former to be chosen annually from each county, and of the latter two from each county and one from each of the towns of Edenton, Newbern, Wilmington, Salisbury, Hillsboro and Halifax.[3] To be eligible

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[1] See Stanwood's "History of the Presidency," chs. xi-xxi.

[2] See "Collection of North Carolina Laws," by Henry Potter, 1821.

[3] By convention in 1789. Fayetteville was also granted a representative.

for the Senate a man must have possessed for a year and continue to hold in the county not less than 300 acres of land in fee. For election to the House he must have had for six months and continue to have not less than 100 acres of land in fee or for the term of his own life. All freemen, with the other necessary qualifications, who possessed a freehold of 50 acres of land for six months might vote for a member of the Senate. Any freeman of required residence who had paid public taxes, could vote for members of the House of Commons. All freeholders and freemen who had paid taxes could vote for representatives of towns. Each year at a joint meeting of the two branches of the legislature a Governor and Council of State of seven members were elected.

This was the constitution in force in the early part of the century. It is not hard to see how this would work. The East was old and pretty well settled. The West was young and growing; its counties large and well to do. The natural thing would have been a readjustment of representation so that the West could have a share of representatives according to population. This was stubbornly resisted by the Easterners, as they did not wish to allow the western counties to make their popular majorities felt in the legislature. As one historian of the State at this period says: "A short-sighted and hateful sectionalism disgraced her statesmanship, and dwarfed the efforts of the many distinguished men then in authority."[4] To quote further: "Stubbornly and too often with undue arrogance, the East resisted every appeal to its patriotism and magnanimity. Jesse Speight, of Greene, was the leader of many others, who, like Major Carter, of Hertford, and Jesse Cooper, of Martin, thought that patriotism consisted in an undeviating opposition to all railroads and especially to every proposition looking to alterations in the State Constitution."[5] The same authority shows, as

[4] Moore: History of North Carolina, vol. i, p. 490.
[5] Moore, vol. i, p. 491.

an example of inequality, that Hertford county had a popular vote of less than 600, while Orange had 2500, and yet both had the same influence in State politics. This inequality was rendered all the more conspicuous by the existence of the towns that had representatives. An attempt to secure relief was made in 1823 when a convention —composed of friends of reform—which was called the Western Convention, met in Raleigh. It was presided over by Bartlett Yancey and made several valuable recommendations as to changes in the Constitution.

It was thus that the fight was waged. There was no practicable means of amending the Constitution and the preponderance of influence was given to the small counties around Albemarle sound. While the middle and western parts of the State grew in population and wealth the East grew only in slaves. Having at first obtained the power the East used it to prevent the formation of new counties in the West and so prevented them from gaining the influence their numbers would otherwise have given them. From 1776 to 1848 the legislature was one continual scene of strife between East and West.[6]

The year that marks the crisis in the conflict was 1834. In this year in the legislature, by a close vote, the West, aided by the Eastern borough members, Moore says, succeeded in having passed a bill which provided for calling a convention which was to be limited in its powers. The act[7] provided that a popular vote for or against the convention would be considered an expression of popular will on the following questions: (1) Convention shall amend the Constitution so as to reduce the number of the Senate to not less than 34 or more than 50—to be elected by districts in proportion of public taxes paid into State treasury; (2) shall reduce number of members of House of Commons

[6] History of N. C. R. R., by R. Barringer. Mr. Barringer says the point at which the Legislature gave way was the election of Wm. Gaston to be judge. He was a Catholic and strict adherence to the constitution would have disbarred him.

[7] Laws of North Carolina, 1834, ch. i, sec. xiii.

to not less than 90 or more than 120—and Convention may at discretion exclude borough members totally or in part; (3) the Convention may also consider and propose any or all of the following amendments; to amend the 32nd Article of the Constitution(the article placing disability on all but Protestants) to provide for the election of governor by the qualified voters for members of the House of Commons, etc.

The act met strong opposition in the East but the popular majorities in the West carried it through, and the Convention met in Raleigh June 4, 1830. To it came the best blood of the State, and its president was Nathaniel Macon, a man old in years but strong in intellect and enjoying the widest confidence among the people of his State. The constitution which this Convention framed was submitted to the popular vote and was triumphantly carried by over five thousand majority.[8] Most of the important changes that the enabling act had provided for were passed; such as the abolition of the "rotten borough"; election of governor by people; re-apportionment of members of Senate and House; abolition of religious restrictions, etc. The members from the East insisted that the new arrangement would be unjust to their section, but such a cry could avail little in the face of the policy they had so long pursued. Moreover, the new adjustment was only equitable and right.

The next period was 1848, when the Democrats nominated David S. Reid of Rockingham county in opposition to Charles Manly of Wake, candidate of the Whigs. Reid and W. W. Holden of the Raleigh *Standard* persuaded the Democrats to adopt a platform which declared for unrestricted suffrage.[9] The Constitution of 1835 had retained a property qualification. In fact the struggle in

[8] Moore, vol. ii, p. 30. 26,771 votes for; 21,606 against.
[9] Reid was said to have gotten his doctrine from his kinsman, Stephen A. Douglas. See Moore, vol. ii, p. 71; Barringer's History of N. C. R. R.

the latter year had been compromised "by making taxes the basis of representation in the Senate while federal population was that of the House of Commons. Eastern counties possessed more slaves and wealth, and in this way protected themselves from over taxation."[10]

Reid proposed to change this part of the Constitution and submitted it to popular vote. The Whigs opposed it, although Governor Manly offered as a compromise the election of judges by the people. The East was inherently and forever opposed to a change, just as they had been in 1835. Reid was defeated.

In 1850 the same leaders were put up by their parties but with different success. The old Whig party fell a victim to its own obstinacy. Reid was elected and the Democrats secured a majority in both Houses.[11] The people were coming into their inheritance. Two years later Governor Reid was re-elected by over five thousand votes with a Democratic majority in the Senate. In 1854 the Democrats won a victory under the leadership of Thomas Bragg,[12] carrying the State by a large majority. The cause of free suffrage finally and permanently triumphed as the Constitution was changed by legislative enactments and all white men were made equal politically.

But what has this struggle to do with the question of Internal Improvements? A little reflection will show how intimately they are connected. A glance at a map of the physical geography of the State will furnish a partial answer to the question.

Geographically there are three distinct divisions of North Carolina.[13] The western section is mountainous, the ranges running northeast to southwest, and forming part of the Appalachian system. The middle section is a plateau which descends gradually from an elevation of about

[10] Moore, vol. ii, p. 83. [11] Ibid., p. 84.
[12] The father of the Captain Bragg who won fame at the battle of Buena Vista.
[13] North Carolina Handbooks, 1879 and 1886.

1200 feet at the foot of the mountains to about 600 or 800 feet elevation through the Piedmont and hill country. The eastern sections extends inland from 120 to 150 miles and may be called level. This portion is intersected by many rivers, some of which are navigable as far inland as 140 miles. The descent from the first to the second of these sections of the State is rather precipitous, being about 1500 feet in a few miles, while from the second to the last there is a descent of about 200 feet." It will thus be seen that the eastern section is blessed with numerous rivers easily navigable and in need of little attention to keep them in condition for purposes of commerce. To quote an old authority,[34] "Navigable rivers are so numerous through all that country, that vessels are tempted to load in a hundred places; and the want of any port, that can be approached by vessels of a large burden, has prevented the commerce of the State from being drawn to a particular point." One other quotation will put the case in a nut-shell.[35] "The example of New York and the general government produced great excitement in North Carolina as to internal improvements. General Wellborn, Dr. Joseph Caldwell and Bartlett Yancey were earnest and unremitting in their efforts to inaugurate a system which should open a way for the transportation of western products to eastern markets. They were met in debate by men who held it as a cardinal virtue to oppose such things, because not specified in the letter of the United States Constitution that the general government should construct such works. They were unwilling to be taxed for improvements they did not need themselves. Nature had given the East abundant water courses and they were content therewith. The people were unwilling to be burdened, and politicians, with their usual venality, pandered to their selfishness and confirmed them in their illiberal

[34] Handbook of North Carolina, 1886, p. 2.
[35] Williamson's North Carolina, 1812, vol, ii, p. 217.
[36] Moore, vol. i, pp. 481-2.

courses. It seemed that the State would be content to go on in the unthrifty way of the miser, who hoards his store and refuses an investment however promising. Other States were attracting the attention of immigrants and building up great arteries of trades, while in North Carolina the mud roads, which grew impassable in winter, and the lumbering wagons of their ancestors were the only means of transportation for two-thirds of the State."

This is the whole secret—the West needed aid in opening up its resources—the East "would none of these things." They had adopted a strict constructionist theory and they applied it to State improvements. The West pleaded for aid not only for itself but for the common good. The East turned a deaf ear or granted assistance so sparingly or divided its efforts so that none of its enterprises succeeded as they should.[17] This, in part, explains the existence of the numerous companies that were organized for opening up the rivers so as to make them as useful to the West as they were to the East. Many of these companies were hampered or failed entirely because of lack of sufficient State aid at the right time. The struggle extended into the sphere of education. The West called for better educational advantages. The East was satisfied with what she had or sent her sons and daughters North. Thereupon the West determined to establish a college for itself, to be located at Lincolnton. It was to be called the "Western College of North Carolina." It was chartered but never went further.

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[17] Barringer's History of N. C. R. R.

CHAPTER IV

Evils to be Remedied.

It will thus be seen that the struggle for a reformed constitution and free suffrage carried more in it than merely a conflict between those who were out and those who were in. It was a struggle for supremacy—for preponderance in the State. At one time the West proposed to move the capital from Raleigh and came very near doing so.[1] The rivalry can scarcely be said to have ended by the passage of the charter for the North Carolina Railroad from Charlotte to Greensboro, in 1848. Over this bill the struggle was fierce, and it was only saved by the casting vote of Speaker Graves. To us who are accustomed to-day to see economic laws settle the question of the centers of trade and markets, this enthusiam for forcing internal development seems strange. It will be explained by an inquiry into the evils that were thought to be afflicting the State and the measures which our fathers thought would be a remedy for these internal troubles.

In the first place, North Carolina was large in area and its people were chiefly agricultural. A matter of first importance, then, was to secure a market—and North Carolina wanted a home market. The natural obstructions along the coast prevented the growth of seaport cities. The scattered settlement and vastness of the area, together with the lack of adequate means of communication prevented the growth of an inland metropolis.

The citizens of that day are scarcely to be blamed for not wanting to see the profits from their products go outside

[1] A graphic description of this fight was given me by the late Hon. D. F. Caldwell, of Greensboro.

the State. Merchants had to buy their supplies in Charleston, Petersburg, Baltimore, Philadelphia and even New York.[2] To meet the debts incurred in these cities purchasers, when possible, sent produce, for the rest money must be remitted, and thus, as was bitterly complained, "Once every year the State was literally drained of its cash." Besides, the state banks could not prevent this—in fact their weakness augmented the trouble. The crying need, it was thought, was a concentration of the State's commerce at one or two points so that a home market would grow up. This would not only keep off foreign debts, but would also leave the profits of trade in North Carolina. This was no small item. "The annual profit made upon our commerce in all other States, and which is totally lost to North Carolina is estimated at more than a half a million of dollars."

As practical illustrations of the disposal of the produce of North Carolina it may be remembered that the products of the northern counties on the Roanoke and ports of the Tar and Neuse went into Virginia, while that from the Broad, and Catawba went into South Carolina. Thus to use a favorite illustration, North Carolina was like a man bleeding at each arm. Of the agricultural products not one-third was shipped from the ports of the State. Of the 38,000 bales of cotton exported from Petersburg, in 1827, 30,000 were from North Carolina.[3] In 1819 it was stated that while the State had 700,000 inhabitants, an area as large as New York, and soil as good as any of the Atlantic coast States, yet the exports from State ports were less than $3,000,000. The necessity of a home market was emphasized by the distress occasioned by financial stress in 1819. Later, when the Chesapeake and Ohio Canal, and the Baltimore and Ohio Railroad were in process of construction, together with other works in Maryland, Virginia, Massachu-

[2] For a strong presentation of this subject see Judge Murphy's Memorial; also N. A. Rev. for January, 1821.
[3] Leg. Docs., No. 12, 1827.

setts, New York and Pennsylvania, it was thought that it would put "the seal finally on their exclusion from the markets."

It was for this reason that efforts were made to find some place at which the trade of the State could be concentrated. There were several places in view. Of the inlets on the coast there were two from which there was communication with the interior, Ocrakoke and Cape Fear. The latter was considered the best in the State. The Cape Fear inlet was central and it was thought possible to bring to it two-thirds of the trade of the State. The only question was as to which was the best port, Wilmington or Smithville.[4] In 1838, an article setting forth the advantages of Wilmington claimed that there was about the same quantity of water over the bar as over the Mississippi bar, and while New Orleans was 110 miles from the bar Wilmington was only 30 miles from the mouth of the Cape Fear. The tonnage was said to be greater than Richmond or Petersburg, and nearly equal to Norfolk and Charleston.[5]

On the Inlet at Ocracoke was dependent the commerce of the Tar, Neuse and Roanoke. This was a variable channel inside of which was the *swash* over which vessels of more than 8 feet could not pass. In 1830 Ocracoke inlet was said to be the only outlet for over half the State.[6] Every vessel which navigated the Neuse, Trent, Bay, Tar, Pungo, Roanoke, Cashie, Chowan, Meherrin, Perquimans and Pasquotank rivers, and Albemarle, Croatan and Pamlico sounds "must wind their tedious way through a dangerous and obstructed channel to this Ocracoke inlet."

The prices which products in this section commanded were lower on account of the expense of getting them out. Staves, shingles and other lumber did "not command one-third as much as in sections favored by unobstructed com-

[4] Judge Murphy thought the latter had the advantage as it was healthier.
[5] Report of Committee on Internal Improvements, 1830.
[6] Ibid.

munications with the ocean." At Murfreesboro and Edenton and other places, which sent produce through Ocracoke pipe staves were worth $25 per thousand, while at Suffolk, which was only 30 or 40 miles away they were worth $40, so that the lumber producer paid to this inlet one stave in every three which he sold, the cotton grower one bale in every eight, and the maker of naval stores one barrel in every four.

In order to accommodate that part of the country still dependent on Ocracoke it was proposed to find a new channel at Beaufort which was the best inlet north of the Cape Fear. There were two plans for concentrating the trade of the three northern rivers at Beaufort. One was to run navigable canals from the Roanoke near Williamston to Pamlico near Washington, thence by Swift Creek and Clubfoot and Harlow's creek to the bay at Beaufort. A second was to make a canal between Clubfoot and Harlow's creeks navigable for steamboats, a distance of only two miles through a rich level soil.

These were serious questions. It was not merely access to the sea that was wanted but markets also. To quote from a report of 1830: "Remove the sandy obstruction that locks up from the commerce of the world, and the strength, the wealth, the population and the consequence of North Carolina will increase with a rapidity that will cheer the heart of every well wisher to her happiness."

Not only did the imperative necessity of a home market and access to the ocean force itself on the people of the State, but an additional incentive to effort was found in the fact that North Carolina was fast losing the important place she had occupied in the days of the colonies and earlier Republic. The position of North Carolina when it adopted the Constitution was one of some importance. In the apportionment of Federal representations among the various States, New York and North Carolina each had ten. By 1838[1] it was thought that the coming census

[1] Memorial of Internal Improvements Convention held in Raleigh, December, 1838.

would give New York forty while it was doubted if North Carolina could hold her original ten—and that, too, with an area differing but slightly from that of New York. As a matter of fact, in the election of W. H. Harrison North Carolina had 15 electoral voters while New York had 42. The men of the State saw with alarm large cities growing up to the north of them. Other sections of the country more recently opened than theirs were rapidly filled by immigration, but the tide of settlement seemed not to come toward the Old North State. It was a serious matter. The secret of it lay in the unimproved condition of the State and the difficulty of reaching a market. The lack of a port was a great distress. The treacherous banks along the coast were looked upon as the State's curse. But this was not the whole secret, the State was agricultural. It had water power in abundance but here again lack of transportation facilities was the hindrance to the incoming of industries. In the face of such things it is no wonder that all sections were at length aroused on the question of internal improvement. The State must be put in a condition that would attract settlers for its vast western unoccupied land. It must be made fit for the establishment of manufactures.

CHAPTER V

Caldwell and Gallatin

One other thing must be noted in a discussion of this subject. A new fact in the history of the country was the opening of the great West. It meant much to the East, and at once there began a silent struggle for the trade of this vast western country. New York made its bid for it when it built the Erie Canal, and North Carolina also had its hopes that it might draw part of this valuable trade to its coasts. The building of railroads gave another impetus to this idea. It may not be possible to locate the origin of the idea but in its discussion it will not be out of place to connect with it the name of the great advocate of railroads, President Caldwell of the State University. This remarkable man visited Europe with a view of obtaining information that could be used in the advancement of the State.[1] In 1827, before the Committee on Internal Improvements he pleaded for the scheme which he later more fully developed—a road from Beaufort to the neighborhood of Asheville, thus intersecting the State from East to West. In his remarkable series of papers called "Numbers of Carlton," published in 1828, this plan is fully set forth. While it would be beyond the scope of this paper to give a complete analysis of these papers, yet their importance in the history of railroads entitle them to more than passing notice.

President Caldwell pleads for railroads on the ground of their superiority over canals. He holds the latter to be more expensive in the long run and less satisfactory in

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[1] Centennial address by J. H. Wheeler at University of North Carolina, 1870.

their results. It is interesting to note that the kind of a road he contemplated was a wooden railroad which would cost only about one-half the outlay for an iron one. Taking Newbern as a point of departure for the railroad part of the scheme, the course was to be thence to Raleigh and from that point through the middle of the State to the mountains. This is one of the most curious parts of the whole plan. The road was to go in a direct line without regard to the centres of trade that were already established. It was to pay no attention to the towns. Of the towns which would have been on the road not more than three were as yet of much consequence. These were Newbern, Raleigh and Lexington. It was also to pass through Boone's Ford, Jones Ferry, Haw River, Montgomery Court House and other similar places. The table which exhibited the various distances from the several towns to the road is worth reproduction here as it shows more clearly than anything else the exact section through which it was to run.

Greensboro	21 miles.	Oxford	38 miles.
Asheville	22 "	Pittsboro	5 "
Charlotte	38 "	Rockingham	51 "
Concord	26 "	Salisbury	5 "
Greenville	22 "	Statesville	10 "
Hillsboro	20 "	Tarboro	33 "
Lewisburg	30 "		

This railway was based on the assumption that the State was, on an average, about 100 miles broad. To run the road thus through the centre the greatest distance on either side would be about fifty miles, which would amount to about two days' travel with a loaded wagon. The watchwords that President Caldwell adopted were "Union—Central Locality—Utility." This road would settle the disputes between sections and harmonize long divided counsels. It was hoped that soon another road would cross the State in the other direction.

The estimate of the cost of the road in the level section was put down at $2649 per mile. This was to be met by a poll tax of 37 cents (later, he says 40 cents) or less than $3 in seven years. This would raise $50,000 and capitalists would add a like sum.

The plan was, further, to begin the road at Newbern and not on the coast because it was nearer to Beaufort from Newbern by water than by land and as the means are ready at hand a canal would be cheaper. From Newbern the course would be through Harlow canal by boat to Beaufort. This canal would be widened and deepened so as to admit steamboats and no lock would be necessary. This would make connections between the interior and coast complete and would give the State a harbor equal to Norfolk or Charleston and much healthier than the latter. Beaufort had heretofore been neglected as a harbor because of the lack of means of communication with the interior. Among the advantages claimed for this plan were the facts that Beaufort had an excellent harbor and inlet and was the healthiest seaport town south of the Chesapeake. Again, it is almost in the middle of the coast line of the State—only 26 miles to the south of the middle point. It was predicted that Norfolk would never realize the hopes of her friends as a seaport town, while Beaufort had back of it a prosperous part of the State. Twenty counties would be accommodated by the enlargement of Harlow canal—and by opening it for steamboats the State "could enter into competition with other markets, and trade with Europe, the Mediterranean, South America and the West Indies as well as the rest of the United States."

Two years earlier the State of Virginia had appropriated $150,000 to make the Dismal Swamp navigable for steamboats. The object was easily seen. It was to draw the trade of the Roanoke, Albemarle and Pamlico to Norfolk. All this trade properly belonged to Beaufort and would find its way there if it had a proper channel. So a mix-

ture of self-preservation and alarm, with some jealousy, strongly urged the adoption of some such scheme as this. The one offered by President Caldwell may have been visionary and may have shown little insight into the economic reasons for development of centres and routes of trade, but it is closely related to a greater idea that was advanced, not by North Carolinians but by a Boston man. "The boldness, originality and apparent practicability"[2] of the plan appealed to the men of the State.

Quietly but surely New York and Philadelphia were drawing to themselves the trade of the great west now rapidly opening up. The rivalry was short but sharp and decisive. It was soon apparent that unless something was done New York would soon monopolize the trade to the complete exclusion of the other coast states. The plan now presented might not be able to take away the importance of New York as a port of departure for Europe but it would force western products to pass through the entire length of the State of North Carolina.

The scheme was, in short, to open a route as a rival to the Erie canal route and compete with it in its own territory. The idea was, with New York as a point of departure, to open a new route to the Mississippi river at the mouth of the Ohio. The Northern route was from New York to Albany, to Lake Erie, to Cleveland, through the Ohio canal, to Cincinnati, to Louisville, to the Mississippi, the total length of the route being 1938 miles, of which 1105 was free navigation and 833 subject to toll. By the proposed plan through North Carolina and Tennessee, the route would be from New York to Newbern by sea passage, 460 miles, thence from Newbern by rail by Fayetteville by Rockingham, Charlotte, Asheville, Knoxville to Nashville, and from this point by the Cumberland river to the Ohio and thence to the Mississippi. The total dis-

[2] The originator was a civil engineer, Mr. Sullivan. See Report of Board of Internal Improvements, 1833.

tance would be 1223 miles, of which 670 would be free navigation and 553 subject to tolls. The amount saved by the southern route would be in the whole distance 715 miles and the distance tolled would be 280 miles less than the northern route. Not only was this route the shortest and cheapest to the Mississippi but it also would reach the head of the Tennessee river at a point 875 miles distant from New York, two-thirds of which was free navigation. This would furnish the cheapest entrance to Alabama.

There could be no rivalry from Virginia enterprises of a similar character, because the Chesapeake and Ohio Canal had so great an ascent, that it virtually increased the distance to a considerable extent. Over the northern route the proposed new one had one chief recommendation besides its cheapness and shortness. For five months in the year the northern canals were closed by ice. The Pennsylvania canal was closed for four months, the Potomac for three months, while the Ohio itself was generally frozen for a time and for two months in summer it was too low for navigation. The southern route was free from this very serious objection. It would afford open passage to the Ohio all the year around.

This was the general outline of the plan. One variation would have discarded the use of the Cumberland and would have provided railroad communication from the banks of the Ohio to the tidewaters of the Carolinas and Georgia. In fact this was the plan urged at a meeting of citizens in Cincinnati in August, 1834, and it met with favor from the citizens of Georgia and South Carolina.[3]

It will be safe to characterize this project as still-born. It was never put into effect as contemplated, yet the railroads of the State to-day virtually do what this was intended to accomplish. But the traffic of the West does not yet pass through North Carolina's gates. The reason is simple

[3] Governor Swain's Message, 1835.

enough. When once the idea of railroad building was firmly fixed and lines were in actual operation, it was as easy to load a car for New York direct as for Newbern, where it would have to be unloaded. It was an unequal strife, and, even if the plan had been carried out as projected, it cannot be believed that it would ever have accomplished the desired end. Yet the idea was in itself a stimulus to internal development and the notion of a road connecting the East and West of the State has been realized by the connections which join Beaufort and Murphy.

What may be termed an interesting survival of the old idea remains in the State to-day, although its origin is referred to a much later date. In 1860 there was chartered in the State a railroad known as the Atlantic, Tennessee and Ohio.[4] Its purpose was to connect the Atlantic and the Ohio river by a road through North Carolina, Tennessee and Kentucky. The rails of the road were taken up in 1863, but re-laid in 1871. It never touched either of the points named in its charter and it is there to-day, connecting Charlotte and Statesville, touching only about half of two counties.

The second important general scheme which next demands our attention is the plan which owes its origin to the genius of Albert Gallatin.[5] He and Thomas Jefferson were one in their ideas as to the necessity of internal improvements, but Jefferson thought an amendment to the constitution would be necessary to render undisputed the right of the general government in the matter. Gallatin had no scruples on this score. In 1802 his ideas had found expression in the act which gave rise to the national road. In 1807 $50,000 were appropriated to lay out the Cumberland Road from the Potomac to the Ohio. A little later a resolution was introduced by Senator Worthington of Ohio which directed the Secretary of the

[4] A similar act had been passed by Tennessee in 1852.
[5] See Adams' Life of Albert Gallatin, pp. 350-352.

Treasury "to prepare and report to the Senate a general scheme of internal improvement." Gallatin took a year to prepare his plan and it was presented to the Senate on April 12, 1808. There were three divisions of the plan as outlined by the Secretary, but we will consider only the first, viz.: Improvements along the seacoast, cutting Cape Cod, New Jersey, Delaware and North Carolina by canals so as to secure inland navigation as far south as Cape Fear; and a turnpike road from Maine to Georgia. The estimated cost for the inland navigation was $3,000,000 and for the road $4,800,000, and the estimated cost of the entire scheme was $20,000,000.

The plan was meant to satisfy all localities and by establishing a national system he hoped to avoid the "log-rolling for local appropriations in Congress and all its consequent corruptions and inconsistencies." Part of this scheme was intimately connected with North Carolina and fitted in closely with her plans. Several years after it was presented by Mr. Gallatin, the attention of the Legislature was recalled to the plan by the Board of Internal Improvements and was favorably commented upon. The fundamental idea of the whole was to secure safe inland navigation along the entire Atlantic coast, or at least as far as Georgia.* There were four necks of land that interrupted such navigation: "the isthmus of Barnstable; that part of New Jersey which extends from the Raritan to the Delaware; the peninsula between the Delaware and the Chesapeake; and that low and mashy tract which divides the Chesapeake from the Albemarle sound." Mr. Gallatin further says: "It is ascertained that a navigation for sea vessels drawing eight feet of water, may be effected across the three last; and a canal is also believed to be practicable, not, perhaps, across the isthmus of Barnstable, but from the harbor of Boston to that of Rhode Island. The Massachusetts canal would be about twenty-six, the New

*American State Papers, Miscellaneous, vol. i, p. 724.

Jersey twenty-eight, and each of the two southern about twenty-two miles in length, making altogether less than one hundred miles." [1]

The estimated cost of this work was placed at $3,000,000 and its completion would mean much to the country. A sea-going vessel would enter the first canal at Boston harbor, pass through the Rhode Island bay, Long Island sound, the harbor of New York and reach Brunswick on the Raritan. It would then follow the second canal to Trenton where it would meet the Delaware. It would follow this river to Christiana or New Castle; then through the third canal to Elk river and the Chesapeake. Down the Chesapeake Bay and up Elizabeth river it would enter Albemarle sound through the fourth canal. Then by Pamlico, Core and Bogue sounds it would reach Beaufort, North Carolina. From Beaufort vessels of smaller draught could be made to reach the Cape Fear inlet by cutting two small necks of land. Below this point inland navigation could be continued between the outlying chain of islands and the coast of South Carolina and Georgia.

It will be seen from this that one of the four canals would be necessary in order to secure an entrance to the Albemarle sound. The shortest route from the Chesapeake to the Albemarle, which was only about seven miles, was rendered useless by the bar in Currituck inlet, which would not admit vessels drawing five feet of water. The second route was through the Dismal Swamp canal, which then extended twenty-two miles from Deep creek to Joyce's creek, a branch of the Pasquotank. To make it a part of the system it would be necessary to bring it up to the dimensions intended for the Delaware and Chesapeake canal. The cost of doing this work Mr. Gallatin estimated at $250,000. This was the route recommended and it was thought that "the deepening of this communication will be more easy and less expensive than either of the

[1] American State Papers, Miscellaneous, vol. 1, p. 720.

three northern canals." A necessary complement of this whole scheme was the road from Maine to Georgia, which was to follow the coast, "passing through all the principal seaports." The distance was about 1600 miles and the cost was not to exceed $3000 per mile.

This bold plan of Gallatin attracted much attention and met with widespread approbation. It is probable that an effort to carry out the idea would have been attempted if complications had not risen in regard to American foreign relations.[8] The war with Great Britain still further interrupted its execution, but after the war it was again strongly urged. The struggle with England had brought home to the nation a new need, the necessity for a means of transporting war materials to points on the coast and the maintenance of the coast trade even in defiance of blockade. Another thing that had been mentioned before but was now brought up again is the connecting by roads of the highest navigable points on the Atlantic rivers with points on streams flowing into the Lakes and the Mississippi.[9]

To North Carolina Gallatin's plan was very acceptable. The Secretary, before he made his great report, had had surveyed a part of the route. In 1818 additional surveying was done by Messrs. Price and Clemmens and, in 1822, the remainder by Mr. Fulton, the State surveyor. If the plan of connecting Norfolk and Beaufort were carried out North Carolina confidently expected to see all the coasting trade of the United States pass that way in order to avoid the dangerous navigation around Cape Hatteras, and if the canal could be so constructed as to admit of steam navigation at the rate of ten or twelve miles per hour all the travelling from North to South and *vice versa* would be by this route for nine months in the year.[10]

[8] Report of Committee of House of Representatives, February 8, 1817. American State Papers, Miscellaneous, vol. ii, p. 420.

[9] Senate Committee, 1817. American State Papers, Miscellaneous, vol. ii, p. 424.

[10] Report of Board of Internal Improvements, 1833.

Moreover, it was of more than passing interest to Eastern North Carolina, for it offered to open up her forests of pine and oak for use at the Norfolk navy yard. In case of war it could supply the latter place with abundant naval stores. Finally, it meant much to North Carolina if she could get access to the ocean through some other means than by Roanoke inlet. The proposed connection would give this.

In 1833, when the Delaware and Raritan canal was nearing completion and promised direct inland navigation from Stonington, Connecticut, to Elizabeth City, North Carolina, it was thought that Mr. Gallatin might yet see his magnificent scheme a fact. Yet, although the actual work might have been accomplished, yet it is not too much to say that the scheme would never have realized all it was hoped. When railroads became the dominant mode of transportation, the inland navigation system was no longer a necessity. To-day an examination of the shipping lists of the United States will show that Hatteras still demands her yearly sacrifice of property and life. The coasting trade has not come inland and Beaufort has not grown into a great metropolis. The western trade has not yet turned toward North Carolina and her centres of trade and great markets are yet to be. But these schemes did turn men's minds to their own State and helped to begin the development which continued down to the Civil War. It may not be too much to say also that the movement aided in holding back the tide which was carrying thousands of North Carolina's citizens to other States.

CHAPTER VI

Reasons for Failure

It may be safely said that the early efforts for internal improvements were prompted by purely local reasons. The State needed better means of communication. The roads were bad, the rivers were not navigable in many places and it was to obviate these hindrances that the movement began. The State also lacked a home market. The people thought that Virginia and South Carolina got more than their share of North Carolina products. The hope of keeping at home her own products, or of at least securing the middle man's profits was thus also an incentive for work of this kind. They wanted cities, they wanted to check the tide of emigration that was flowing away from her borders. Slave labor certainly had much to do with keeping the movement of settlers from North Carolina, but that alone could not explain the slow growth of the State and the great numbers that were every day leaving her shores. The Committee on Internal Improvements in 1815[1] reported that within twenty-five years 200,000 people had left the State for the region of the Ohio and the Tennessee.

This calls up another fact that was important in giving an impetus to the movement for development in North Carolina. This was the opening of the West. As was the case in North Carolina so it was in other States. Each was pouring a stream into this region.[2] Full figures as to this wonderful exodus can never be had, but the result was soon seen. Towns sprang up with astonishing rapid-

[1] Report of Committee on Internal Improvements, 1815.
[2] McMaster: History of the People of the United States, vol. 4, ch. xxxiii.

ity, while in the East some were almost depopulated and all were checked in their growth.

As soon as the West was to be reckoned with as a factor in the economy of the nation, there began a sharp rivalry for the trade of the favored section. New York moved rapidly and vigorously. July 4, 1817, work was begun on the Erie canal, "the greatest piece of engineering up to that time attempted in the United States." Philadelphia was alarmed at the vigorous efforts being made by her neighbors and woke up to the importance of the matter. Her more central location gave her advantages. Her early prestige as the most important city of the early days was also in her favor. Wonderful schemes were discussed for turning the western trade to her. It was actually soberly stated that only 75 miles of canal would be all that was necessary to give water communication between Philadelphia and the Pacific coast. She also even hoped to tap Central New York and catch the trade of that region. "The trade of the Great Lakes, of the Ohio, of half the Mississippi, of all the region drained by the Missouri, of three-fourths of Pennsylvania, and one-third of New York" was thought to lie within their reach. Further to the southward, Baltimore was also eager for this western trade. Pikes and canals were considered and it was thought possible to concentrate on the Chesapeake the trade of the newly-opened region.

We have seen how North Carolina entered into the contest. The great scheme for a central railroad had for its object the bringing of the products of the West through the State to the coast. Some of the reasons why this did not succeed may be noted. In the first place, the tide of trade had already set in other directions and it was too late to be checked. New York soon secured the ascendency and the opening of the canal in 1825 rendered its place permanent. The canal was a success from the start. It also threatened the trade of Philadelphia. The route to New York was shorter and cheaper and the

astonishing growth of that city soon showed what the trade of the West meant to it.

A perfect mania for internal improvement seized all States and this was greatly accelerated a little later by the coming of the railroads. By the time North Carolina moved in the matter, it was too late. President Caldwell's scheme was submitted in 1828 when New York already held the lion's share of the trade. That part which did not go to her was eagerly seized by Philadelphia and Baltimore.

The various plans for drawing this trade through North Carolina all recognized one fact—the trade by any route would go to New York. At best, it was but hoped that North Carolina might cause the trade to pass through her borders, and give to her coast towns only the secondary importance that might be obtained as points for reshipping. Some, it is true, hoped to see North Carolina not only catch the Western trade, but also saw visions of a day when Beaufort should be the metropolis of the whole Atlantic coast. But they were not long left in doubt as to the real result of the contest between the sections and saw that Beaufort could never hope to be more than a point of departure for the coasting trade.

It is naturally asked why North Carolina could not secure the Western trade and so become the market for Europe. It is very easy to understand the reason. North Carolina was an agricultural State and manufacturing industries were few and small. The North had long controlled the ship-building interests of the country, forced into it by the nature of the land. So now also North Carolina and the South had only farm products with which to back their schemes for development. The people lived well, but they had no money. Their products were disposed of in exchange for manufactured products and little capital was accumulated by the very wealthiest men. They were merely big landholders, often so large as to be "land poor."

To fully take advantage of the Western trade, it would have been necessary to secure communication, not with New

York but directly with Europe. This was impossible for North Carolina, even if her people had thought of it. She had not the means for great things, and so she spent her resources in following futile schemes of local improvement. New York had seen and seized the opportunity. By the time the Erie canal had opened to her the door of prosperity in one direction, she had packet lines to Europe—sixteen packets sailing regularly between the city and Liverpool—and others with other places. "Ten million dollars had been collected in duties in one year, a sum larger by eighty thousand than in the same time had been gathered at the custom houses of Boston, Philadelphia, Baltimore, Norfolk, and Savannah combined."

So the dream of a great Western trade for North Carolina and of markets in which the merchants of the world should compete was doomed to failure from the start. The only effect which the plans had was to encourage a spirit of enterprise and aid in local development.

PART II

CHAPTER I

Rivers

CAPE FEAR NAVIGATION COMPANY

It will now be necessary to outline more minutely the various kinds of work undertaken by the State. The number of rivers and the facility of navigation give to this part of the subject a distinct preeminence. As early as 1784 an act was passed looking to the improvement of rivers and creeks and for the prevention of obstructions to navigation.[1] By this act the county courts were to have power to have new roads laid out and to establish ferries, bridges, etc. Roads were to be 20 feet wide with "stumps and runners" cleared for the width of 16 feet in the centre of the road. Bridges were to be likewise 16 feet wide. The work was to be done under an overseer appointed annually; all male taxable persons from the age of 16 to 50, except such as were excepted by Assembly, were to be liable to road work. The county court could also appoint commissioners to inspect any inland streams in the county and to make out a scale of the expenses of clearing and opening the same. The commissioners might also proceed to open the stream in the most expeditious manner, provided it "shall be deemed within the compass of the abilities of the county, and that the burden will be compensated by public utility." It was also made a crime to fell trees into a river so as to obstruct the passage of boats.[2]

Thus we see that large powers of action were left to the counties. It is not necessary to go into a detailed account

[1] Laws of 1784, ch. 227; amended 1785, ch. 242; 1796, ch. 460; 1790, ch. 331.
[2] Laws of 1796, ch. 460, sec. 2.

of the progress of the general laws in regard to rivers, but it will be more to the point to take up the important attempts at improvement undertaken by the State and show the object in view in each and how they succeeded. The opening of these rivers was usually by means of companies organized for the purpose, which had certain privileges granted them and received aid from the State. Judge Murphy in his memorial on the subject of Internal Improvements [3] discusses the plan of the joint committee of the two houses of the Legislature in 1815. That plan may be generally outlined as follows. 1. Companies were to be formed and incorporated for improving the navigation of the principal rivers. The said companies have to hold their rights and privileges forever. 2. These rights and privileges of the company were to extend from the source of the river to its mouth or to the State line and to all tributary streams. 3. Each company should be entitled to levy such tolls as would yield 15 per cent on capital invested. 4. The State should subscribe one-third of the capital stock of each company.

The opening of these rivers was a matter of first importance. The undertaking was rendered difficult by the fact that a granite ridge runs through the State from northeast to southwest almost parallel with other ridge-like formations, and consequently at right angles with the course of the rivers. Above the ridge are shoals and falls that obstruct navigation, and these had to be obviated.

As it would be impossible to understand from a general view the work undertaken and carried out, the various attempts will be discussed separately. The first to be considered will be the

CAPE FEAR NAVIGATION COMPANY

Moore, in his History of North Carolina,[4] speaking of the legislation of 1792, says: "A company was chartered for

[3] See N. A. Review, vol. 12, 1821. An article by Jared Sparks.
[4] Vol. i, p. 411.

improvement of Cape Fear River from Fayetteville to the confluence of Haw and Deep rivers." With characteristic brevity and unsatisfactoriness he thus dismisses the beginning of an enterprise that has been important all through the State's history. This act recites the fact that it has been represented that it is practicable to render easy and safe the navigation of Cape Fear river from Fayetteville to the confluence of the Haw and Deep rivers; that it will be greatly to the advantage of the western part of the State, since the point of confluence is within 25 miles of the permanent seat of the government and 18 miles from the place selected for the seat of the University; 35 miles from Hillsborough and 9 miles from Pittsborough. In consideration of these things the Cape Fear Company was incorporated.[8] The greatest interest in the company dates, however, from 1796, when an act[9] having the following preamble was passed: "Whereas the navigation of Cape Fear river from Averysborough up to the confluence of Deep and Haw rivers, and of each of said rivers as far as can be effected, would be of important public utility; and many persons are willing to subscribe money to effect the work, and it is just that such subscribers, their heirs and assigns, shall receive reasonable tolls in satisfaction for the money advanced by them to execute the said work, and for the risk they run, Be it enacted," etc.

Books were to be opened in Chatham and Randolph counties for subscriptions which should "be made personally or by power of attorney, and shall be paid in Spanish dollars, but may be paid in silver or gold coin of the same value." Subscriptions to the amount of $8000 were to be taken, and when half the amount was subscribed the company was to be declared incorporated and elect a president. At the first general meeting each subscriber was to pay $5 per share, after which president and directors were to levy payments on the subscribers as needed, provided they should not de-

[8] Laws of North Carolina, 1792, ch. 370.
[9] Laws of 1796.

mand more than $10 a share in one year. The necessary property was vested in the Company for a period of 99 years and was to be deemed real estate and be free from taxation or assessment. An extended rate of tolls was established by the act and the collector given power to seize and sell boats that failed to pay, although "Every empty boat that has carried its load and paid the tolls, on its return shall pass free from tollage." The company was given ten years in which to complete the work. In case of failure to do so "the preference in favor of the said company with respect to the said navigation shall be forfeited."[7]

An amending act passed the next year gave the company power to remove obstructions and also allowed them to close subscription books whenever they thought it proper. Another and still more extensive amending act was passed in 1815, by which all the rights and privileges were granted the company that had been granted the Roanoke Navigation Company three years before.[8] In addition it was specified that these privileges should extend from the sources to the mouth of the river, and subscription books were to be opened to increase the capital stock to a sum not exceeding $100,000 which was to be divided into shares of $100. The act was to have effect if half of the stock had been subscribed by the first Monday of the following June, in which case the company was authorized to regulate the tolls from time to time instead of leaving rates to be specified by the act, provided the profits therefrom should not exceed 15 per cent upon capital stock after expenses of company in the way of salaries, repairs, etc., had been paid. The treasurer of the company was authorized to secure a loan from the banks of Newbern and Cape Fear to the amount of $15,000 and the banks were empowered to become subscribers to the capital stock. The company was further given power to increase its stock if it was found necessary

[7] Act of 1796, secs. 1, 2, 4, 7, 10.
[8] Secs. 4 to 19, inclusive, of Roanoke Navigation Company's charter to apply to C. F. Co.

to complete the work and was allowed to build toll bridges over the river. A proviso was included that in the event of the State becoming a holder of any of the shares, it might appoint a director of the company whenever the General Assembly should think proper.[9]

There seems to have been delay in securing money, for in 1821 the president and directors of the company were authorized to repeat their call on stockholders that had failed to pay their instalments,[10] and two years later the State made an appropriation to the Company.[11] By the act of this year the Board of Internal Improvements was authorized to subscribe $25,000 in the part of the State for "completing the navigation of the Cape Fear river from the town of Wilmington upwards." This was made on two considerations: (1) Stock was to be reduced from its nominal value of $100 to not more than $50, and (2) the Board of Internal Improvements was to have charge of the direction of the works. The work was to begin at Wilmington and proceed up the river as far as capital stock would admit. This act seems to have been a result of a former act which instructed the board to ascertain if the various navigation companies of the State would put themselves under control of the board.[12]

From various indications it may be judged that it was not smooth sailing for the enterprise—at least that the State was not fully satisfied with the conduct of the work. Probably the agitation over railroads had something to do with the dissatisfaction. At any rate certain resolutions indicate friction. A resolution of 1835 instructs the Governor to sell the dredging machine that had been used on the river and which was then lying in an exposed position near Wilmington.[13] The next year another resolution directed the Governor to institute suit against the Cape Fear Navigation Company for $1375 dividends due the State.[14] Before this,[15]

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[9] Act 1815, secs. 2, 3, 5, 7, 8, 9, 10, 11.
[10] Act 1821, sec. 3.
[11] Laws of 1823, ch. 16.
[12] Laws of 1821, ch. 16, sec. 3.
[13] Resolutions, 1830.
[14] Resolutions, 1836.
[15] Report of Committee, 1832.

however, a committee on the Cape Fear Navigation Company had reported to the Legislature, which had brought out the fact that $42,761.76 had been expended on the river. An examination of witnesses showed that tolls had been paid, but that the passage of the river had not been materially improved. The committee was of the opinion that the work had not been judiciously applied, for if it had, results would have been greater. Judging from results, they would have to conclude that the river was not susceptible of improvement, and this they would not admit.

On the other hand, the agent[16] claimed that the work had been judiciously done. In the first place, the snagging of boats had formerly been frequent; second, the shore at various places had been improved. Rates of freight had also been lowered. Before the work the rate for cotton had been 75 to 100 cents per bale, while now it was but 25 to 35 cents, including 10 cents toll. If the work had not been done steamboats could not have run at all. That they did run was shown by a memorial from an Internal Improvement convention in 1838, which said that steamboats had been running on the Cape Fear as high as Fayetteville for the last 20 years. In 1823 the company gave up the control of the works to the Board of Internal Improvements, which had expended $12,143.13 and had reported the river clear of obstructions between Fayetteville and Wilmington and expected that henceforth tolls would have to keep the river in order. In 1834 these tolls, as reported by the agent, were $5090.95,[17] while the next year there was said to be but little trade of consequence done by the company.[18]

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[16] Geo. McNeill.

[17] Report of Agent of C. F. Nav. Co. to Bd. of I. I. for year ending May 30, 1834.

[18] Rept. of Bd. of I. I., 1835; Rept. of Pres. of C. F. Nav. Co., December, 1852.

The tolls for a series of years were as follows:

Amount of tolls of	1828	$2,844.10
" "	1834	5,090.95
" "	1842	3,125.03
" "	1848	5,010.22
" "	1852	8,443.81
Total tolls from	1828-52	$106,141.67

In 1834 tolls are reported to have more than doubled in the two years preceding, amounting the year before to $12,-524.68 and paying a 10 per cent dividend.[19] In 1836 the Board of Internal Improvements was directed to inquire into the affairs of the company to see if they had used the funds honestly and if it would not be advantageous to the State to buy the charter. Inquiry was also to be made as to the terms on which the company would sell and also if the company would not voluntarily surrender that part of their privilege which extended above Fayetteville.[20] The reply of the company was that they would sell the stock and all corporate rights for $50 per share provided arrangements could be made to secure the removal of such obstructions as may from time to time get in the river.[21]

A few years later it would seem that the river had not been kept in a good condition, as it was proposed to render it navigable to Fayetteville, and thence form a connection by turnpike to the Yadkin.[22] The statement of the State's finances for the same year shows that it held 650 shares of stock in the Cape Fear Navigation Company, the amount which it had had for some time.[23] Two years later this same company was one of two in the State which had not lost their chartered privileges by non-user.

All this work was for the Cape Fear proper. In 1849 the State subscribed $40,000 for the Cape Fear and Deep River Navigation Company, to improve the river above Fayetteville, and that prong of the stream known as Deep River. The next year an amending act provided that the State's subscription of $40,000 should be paid when $20,000 had been paid in by subscribers and when two other payments of $10,000 had been paid in by subscribers the State was to make two extra payments of $20,000 each.[24]

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[19] Rept. of C. F. Nav. Co., 1854.
[20] Resolution, Session 1836-37.
[21] Report of Board of Internal Improvements, 1838; letter of agent of company.
[22] Governor Morehead's Message, 1844.
[23] Treasurer's Report, 1844.
[24] Laws of 1850, ch. 133.

After this the State had to pay interest on the bonds of the company for a time and was liable for the principal.[25] In 1858 it was provided that if the sale of the company should take place before 1861 the Governor was authorized to bid not more than $450,000. If bought it was to be in the hands of a board of managers who could draw on the treasury for $50,000 for two years for means to improve and keep in repair the works on the river.[26]

Part of the Cape Fear river was below Wilmington, and this also required considerable attention. In 1826 an appropriation of $5000 was made out of the internal improvement fund for improving this lower part.[27] The next year a similar appropriation was made to the amount of $6232.[28] In 1829 the Federal Government took charge of this work. The river was obstructed to such an extent that vessels drawing over ten feet of water had to anchor 14 miles below Wilmington. It was first attempted to deepen the channel by contracting it by jetties and by turning into it the water from Brunswick river and Fishing and Rodman's creeks. On this work $203,204.59 were spent.[29] About 1853 it was proposed to deepen the main entrance. At this work $156,296.26 was spent in a few years, but the task was not completed. Since the war a considerable amount has been spent both in new work and repairs.

The general object in view in all this work undertaken and carried on by the State was to clear a ship canal below Wilmington and to render the river navigable above for steam vessels with boats in tow.[30] Between Wilmington and Fayetteville steamboat passage was expected to be opened for use during ten months in the year. The work was at first entered into with much spirit. The shares of stock in

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[25] Governor Bragg's Message, 1858. [26] Laws of 1858, ch. 142.
[27] Laws of North Carolina, 1826, ch. xviii.
[28] Laws of North Carolina, 1827, ch. xxxiv, vol. 3.
[29] House Ex. Docs., 1890-91.
[30] "A Connected View of the Whole Internal Navigation of the United States," etc. By a Citizen of the United States, Philadelphia, 1830.

the company sold easily. A town was laid off in Chatham county and promised to attain considerable size. The company adopted the plan of sluice navigation and the results were not very encouraging. It is said two out of every three attempts to descend the river failed.[21] Recourse was then had to canals and locks with better success.

After the war the company was a prominent factor in politics. During Reconstruction it attained notoriety in connection with the wholesale fraud of that period.

ROANOKE NAVIGATION COMPANY

Roanoke river flows into Albemarle sound and drains the northeastern part of the State. The Dan, which flows from North Carolina into Virginia, is one of its principal parts. Inside the Virginia line the Roanoke turns back southeastward into North Carolina. At present it is navigable to Weldon, which is almost 100 miles from its mouth. The object in view in its improvement was to open more fully the land drained by the upper Roanoke. This was actually done and at one time the river was navigable to Danville, more than twice the present distance. While all along its upper course there are stretches of navigable water, yet the passage is interrupted at frequent intervals. The company organized to render this stream navigable was one of the most important chartered in the State, and its history deserves to be noted in detail.

The original act[1] was entitled, "An act for improving the navigation of Roanoke river from the town of Halifax to the place where the Virginia line intersects the same."

The law provided for the opening of books of subscription at Edenton, Plymouth, Windsor, Halifax, Warrenton, Oxford, Rocksborough, Caswell Court House, Wentworth, Germantown and at Raleigh, thus making it convenient for people all through the section interested to take stock, the amount of which was fixed at $100,000. The State was to

[21] American State Papers, vol. xx, p. 866. [1] Laws of 1812.

have up to a certain day the right to subscribe for 200 shares in preference to any other subscribers. The company was to be declared incorporated when 400 shares should be subscribed, and a president and four directors were to be elected for a year. This board was to open the river from Halifax westward to the Virginia line by canals, locks, or sluices, and had the right to levy tolls. Most of the provisions as to powers and duties were similar to those of the Cape Fear Company. The rates of tolls were fixed and the Legislature could change them, but not so as to cause them to fall below 15 per cent on capital stock. Ten years were given for the completion of the work.

The first amending act[2] was passed three years after the original act and provided for an increase of stock to $300,000, of which the State was to take 250 shares if necessary. While the original act gave the company rights to the Virginia line the amended act extended their privileges from the mouth to the source—so far as it was in the State. The State was to have a vote in the general meetings of the stockholders and was to be represented by the treasurer of the company. At the falls of the river near Halifax the company was authorized to construct a turnpike until the navigation of the river could be improved at that place. The company was granted permission to charge toll rates and to borrow money to the sum of $25,000.

The company proceeded to organize under this act in October, 1816. Some doubt as to the legality of the organization arose because the enabling act had provided that organization should be effected in the preceding June. At that time, however, on account of the lack of returns as to subscriptions, it was impossible to decide whether or not the required number of shares had been obtained. In order to remove all doubt on the subject the Legislature passed an act declaring valid the proceedings of the subscribers at the meeting in Halifax in October, 1816.[3]

[2] Laws of North Carolina, 1815. [3] Laws of North Carolina, 1816.

This act further provided that those persons who had subscribed for stock under the original act of 1812 should be enrolled in this company. The place for meeting for stockholders was fixed at Halifax and the dividends allowed were to be paid on stock actually paid in for the purposes of the company. The amount of real estate which the company could hold was limited to $50,000, above that which was necessary for the work of the company. Navigation was to be completed within 20 years from January 1, 1818. This more than doubled the original time allowed.

These acts fixed the rights of the company so far as North Carolina was concerned. But part of the river was in Virginia, so it was necessary to secure a charter from that State also.[4] The Virginia act recites the fact that North Carolina has made various enactments concerning the company and that "it is indispensably necessary that the State of Virginia should aid this object, and assist an undertaking so extensively and intimately connected with the prosperity and interest of this State,"[5] and it further declares that "the interest of very many of the good people of this Commonwealth requires that the improvement of the navigation of the Roanoke river and its branches, capable of being made navigable both in North Carolina and Virginia, should be begun and completed as early as possible, and that the right to improve the navigation of the said river shall be vested in one company."[6]

The act thus grants exclusive right to improve the river to the North Carolina company as far as a part of the river and its branches are in Virginia. The general provisions of the act are similar to those granted by North Carolina, but it is also granted that there may be created a capital stock of $200,000 in addition to the stock allowed by North Carolina. Moreover, the State was to subscribe $80,000 to the company on the same terms North Carolina had made a

[4] Laws of Virginia, Act of November 11, 1816.
[5] Preamble to act.
[6] Act of 1816, sec. 1.

subscription—provided the State of North Carolina assented to the act of the Virginia Legislature. The work was to be completed by January 1, 1843, or the charter was to be forfeited.

The Legislature of North Carolina accepted this act of Virginia at once,[7] and later when a slight amendment was made to the charter concerning the general meeting of stockholders, the act closes thus: "This act shall be in force whenever the General Assembly of Virginia shall pass an act to the same purpose and effect."[8]

The company was thus placed in operation in both States. It had chartered privileges for the whole length of the river and its tributaries and large sections of two States were looking to it for important results.

It was not long until the Legislature authorized the subscription on the part of the State for 250 additional shares in the stock of the company and set apart $250,000 for the purpose on condition that "the said money shall be applicable only to the expense of locking down from the basin at Weldon's orchard into the town."[9] Five years later a resolution was passed by which the State relinquished the right heretofore reserved of taking additional stock in said Company.[10] A statement of the finances of the company a few years later will show what amount had been paid.[11] The report of the treasurer as late as 1884 shows that the State then had 500 shares of stock in the company.[12]

For awhile at least this company showed more life than the Cape Fear Company, for the Board of Internal Improve-

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[7] Laws of North Carolina, 1819. [8] Laws of 1823, ch. 17.
[9] Resolutions, 1828. [10] Report on Roanoke Nav. Co., 1831.
[11] Report of Treasurer, 1844.

Capital stock	$412,000.00
Amount stock subscribed for by Virginia	80,000.00
Amount stock paid for by Virginia	80,000.00
Amount subscribed for by North Carolina	50,000.00
Amount paid by North Carolina	49,000.00
Amount paid by individuals	263,763.00
Net income from tolls	1,827.88

[12] Report of Board of Internal Improvements, 1835.

ments speaks of its decidedly increasing trade, while on the other hand there was little material traffic.[13] Legislative action was not so frequent as for the Cape Fear Company. If the company may be judged blessed from the shortness of its annals we may conclude that there was less friction in its management or more success in carrying out its plans of operation.

Just on the eve of the war[14] the company was given permission to discontinue the use of their canal around the Grand Falls of Roanoke river if they saw fit to do so. The company was also authorized to sell all their real estate, water power and other privileges between Gaston and Weldon, the proceeds to be applied to the settlement of debts, if any; if not, it was to be distributed among stockholders. In case the company did not sell, it was to keep the canal in good order. This act closes legislation in regard to this enterprise until after the war.

The one great obstacle in the way of the work of this route was the existence of the Grand Falls of the river. Here within twelve miles the river descends 100 feet. To overcome this fall the Weldon canal was built. The company secured what may be called "sloop passage" as far up as the foot of the falls, a distance of 90 miles from the mouth of the river. By means of sluices on the upper parts of the river boat passage was to be secured almost to the Blue Ridge in Bedford county, Virginia, a distance of 290 miles. One of the branches of the Roanoke, the Staunton, was improved also for about 90 miles above Rock Landing. The river was improved by 1828 up to Salem, Virginia, a distance of 244 miles above the Falls.

The plan was, further, to proceed from the confluence of the Dan and the Staunton up the Dan river to Danville and thence by canal and the improved river into Rockingham and Stokes counties in North Carolina. Sluicing arrange-

[13] Ibid.
[14] Laws of 1858-59, ch. 143.

ments were also extended as far as Leaksville, in North Carolina, 162 miles above Rock Landing.

The size of the undertaking may be judged from the fact that down to November 12, 1827, the total expenditures of capital was $357,156. For the year following expenditures were $8276, making a total down to November 5, 1828, of $365,991.

No matter how well the company may have obviated the difficulties at the falls or how much the river was improved, there was one obstruction that was not to be overcome. This was the lack of outlet to the sea. The natural outlet for the commerce of this river would have been Ocracoke. But this variable and treacherous inlet defied all efforts for permanent improvement. These things kept the Roanoke Navigation Company from reaching the point of utility it might otherwise have reached. Furthermore, Virginia did not fail to use the Swamp canals to draw trade from this rich section to Norfolk.

Steamboats to-day run up the Roanoke to Weldon, and by various canals it is still useful for smaller craft up to the borders of Stokes county, North Carolina, where the river rises. In 1872 the river was placed under Federal Government for improvement.

THE TAR RIVER COMPANY

The Tar river, having its sources in the hills of Granville and Person, flows southeastwardly, draining an area of about five thousand square miles. It is navigable below Tarboro, while below Washington it expands into an estuary of considerable breadth, and is there known as Pamlico river.

The story of the improvement of this river is not found so extensively in the State records as in the case of some others. The charter of the company for the improvement of Tar river dates from 1805.[1] Nothing seems to have come

[1] Laws of 1805, ch. 22.

of this attempt, for in 1816[2] another company was incorporated with a capital stock of $75,000. The next act was an appropriation of $3500 in 1825 for removing flats below the town of Washington.[3] The money was to be paid out of the Internal Improvement fund. This was done in the same year in which an appropriation was made for removing flats below Wilmington.[4]

The company seemed to have a short life, for in 1833[5] a resolution was passed directing the superintendent of the Board of Public Works to investigate the accounts of the company, with that of other rivers, and see if the State had not paid more than it had subscribed. Inquiry was also to be made as to what disposition had been made of the funds and whether any remained. If possible it was hoped that part of the State's money might be recovered. A surrender of the charters of the companies was desired and the director of public works was to inquire on what terms the companies would give them up.

The improvement of Tar river was in keeping with the great project that the State was attempting to put in operation by degrees. In every general plan that was presented it plays the same part. In the initial attempt of the Legislature in 1815 this river was ordered surveyed along with the others, and in 1818 this was done. But it was clearly seen that the commerce of the Tar, Neuse and Roanoke were all dependent on Ocracoke inlet, and repeated attempts were made to improve this. These will be discussed in their proper place. In his paper on Internal Improvements, Judge Murphy held that this river must be embraced in any system of improvements.

In the report of the Literary Fund for 1844[6] no mention is made of any stock held by the State in the company, and two years later the company had forfeited its charter,[7] al-

[2] Laws of 1816, ch. 920.
[3] Laws of 1825, ch. 10.
[4] Ibid., ch. 8.
[5] Resolutions of 1833.
[6] Report of Public Treasurer, 1844.
[7] Governor's Message, 1846-7.

though later[8] an appropriation of $15,000 was made for the improvement of the river. After the war, which is beyond the period of our study, the State still had an interest in the company.[9] In 1876 Pamlico river was placed under improvement by the Federal Government, and three years later the Tar was added.

THE NEUSE RIVER COMPANY

Another river, which has its source near that of the Tar, and to which attention was directed, is the Neuse. Rising in Person and Orange counties, it flows past Smithfield and Newbern into Pamlico sound. It is navigable for steamboats to Smithfield and is about 200 miles in length. At Newbern it is two miles wide and navigable for vessels drawing fourteen feet of water. Here also it is joined by the Trent and below it spreads out to a width of eight miles. Like the Tar it drains about five thousand square miles.

In 1812[1] the Neuse River Navigation Company was incorporated with a capital stock of $50,000, one-third less than that allowed the Tar River Company at a later date. The proximity of the Neuse to the capital gave rise to the idea that it might be possible to extend the system of inland navigation to a point near Raleigh. In 1831 an examination was ordered made of the river from Smithfield to some point near Raleigh to see if such navigation were possible for a reasonable sum. This idea was not a transient one, for more than a decade later it was urged that since a steamboat had already ascended the river as far as Smithfield, which is twenty-eight miles from Raleigh, a little work would give permanent steamboat navigation to the immediate vicinity of the capital.[2] This was after railroads had become a reality in North Carolina and the State had taken stock in at least three of them.

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[8] Senate Docs., No. 29, 1854-5.
[9] Report of C. L. Harris, Superintendent of Public Works, 1868.
[1] Laws of 1812, ch. 849.
[2] Governor Morehead in message, 1844.

With all these pretensions to greatness the company never amounted to as much as the Cape Fear or Roanoke. It was included in the general indictment of 1833, and may be considered as belonging to that number of companies whose charters had expired by *non-user*. In 1834 it was said that the company had long since ceased to act as a corporation and that there was no disposition to revive its existence.[3] A new company was organized in 1850, to which the State subscribed $40,000.[4] The State still had an interest in it after the war. It was placed under the Federal Government in 1878.

OTHER RIVERS

The four rivers discussed above may be considered the most important, but the efforts of the State did not stop with them. Most of the companies organized for the improvement of these various rivers were at first private corporations. There were, however, but few that did not at some time receive State aid. At an early date commissioners were appointed to have the various rivers staked.[1]

Before the beginning of the new century a company had been incorporated to open the navigation of the Catawba river. The shares of the capital stock were to be free from tax for 99 years. The company might charge tolls and build roads on either side of the river. The charter was amended slightly in 1816. Doubt arose as to the practicability of the enterprise and investigation was made into the workings of this company as well as of the other rivers. It also forfeited its charter by *non-user*.

The Yadkin River Company was incorporated in 1816.[2] The State subscribed for two hundred shares. The charter was to go into effect when adopted by Congress. The State put other money into the company, but does not seem to

[3] Report of Superintendent of Public Works, 1836.
[4] Wheeler's History of North Carolina, p. 136.
[1] See Judge Murphy's Memorial.
[2] Laws of North Carolina, ch. 93.

have been satisfied with the way in which the affairs of the company were conducted. A resolution in 1828 instructed the Board of Internal Improvement to call on the Yadkin Company to know what disposition had been made of the $25,000 which the State had subscribed.[3] It was also included in the investigations of 1833.[4] The result does not seem to have been very satisfactory, since the Superintendent of Public Works declared that more money had been spent on this river than any other except the Roanoke and the Cape Fear and without benefit to the State.[5] A railroad built from Fayetteville to the narrows of the river might, it was thought, make the river above of some service. It was also later proposed to connect the river with the Cape Fear by means of a canal so as to facilitate the transportation of produce from Western North Carolina to a good market.[6] The same years commissioners were authorized to open books for $300,000 to improve the river.[7] Still another attempt at improvement was recommended in 1854.[8] In 1868 the State still owned stock in the company.[9]

Other efforts made at improvement will only be mentioned. An act was passed in 1805 for improving Rockfish creek and Little river.[10] A year later a similar act passed for the navigation of Waggamaw river.[11] In 1816 the New River Canal Company was incorporated with a capital stock of $20,000,[12] and as late as 1854 it was recommended that $20,000 be appropriated for the improvement of this river.[13] In 1820 attention was directed to Broad river in Rutherford county near the mountains and $5000 appropriated for its improvement.[14] In 1850 acts were passed for the improvement of Haw river and others.[15]

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[3] Resolutions, 1828. [4] Resolutions, 1833.
[5] Report Superintendent of Public Works, 1834.
[6] Laws of North Carolina, 1846, ch. 17. [7] Ibid., ch. 76.
[8] Senate Document No. 29, 1854.
[9] Report of Superintendent of Public Works, November, 1868.
[10] Laws of North Carolina, 1865, ch. 24. [11] Ibid., 1806, ch. 22.
[12] Ibid., 1816, ch. 919. [13] Senate Documents, No. 29, 1854.
[14] Laws of North Carolina, 1820, ch. 1072. [15] Ibid., 1850, ch. 91.

The list of creeks demanding excavation was large. Between the years 1817 and 1821 the State put $113,099 into the improvement of its rivers. Many of them deserve attention. On some the work was wasted and it is doubtful if any ever fully repaid the amount invested in them. They are still items of heavy expense in the river and harbor appropriation bills of the General Government, and the end is not yet.

CHAPTER II

Canals

North Carolina had other improvements in view beside the work to be done on her rivers, for these did not reach all parts of the State. In all the plans drawn up there were suggestions as to the connecting of the rivers by means of navigable canals. This kind of work was rendered easier in the eastern section by the level condition of the land. It may have been this fact that led to efforts in this direction having been made so early. Thirty-five years before the Erie canal was completed and eighteen before the opening of the Middlesex in New England, North Carolina chartered a canal that has been in use for over a century. This was the Dismal Swamp Canal, incorporated in 1790. Five years after this incorporation, an act was passed "to encourage the cutting of canals by subscription." The objects to be gained by such work were several. In the first place these canals would facilitate trade and travel by making shorter and safer conveyances. Then they would to a large extent be located in that section of the State that needed draining in order to render it fit for habitation, thus they would at the same time promote health and reclaim large tracts of very fertile land which was otherwise unfit for cultivation.

The act referred to above gave permission to any company desiring to cut a canal to use the necessary land. The canals were to be rented out until the cost and interest had been paid, when they were to become free for the public. Each company was given seven years from the time it secured its order from the county court in which to complete the work.

THE DISMAL SWAMP CANAL

The most important act passed by the Legislature at its session of 1790 was the incorporation of this company. The honor of being the originators of the bill has been ascribed to Joseph and Benjamin Jones, of Pasquotank county.[1]

As is well known the Great Dismal Swamp lies partly in Virginia and partly in North Carolina in that corner of the two States below Norfolk. The history of the movement to penetrate this swamp by some means for opening navigation may be said to have had its definite origin in 1786, when two men from Virginia and three from North Carolina met in Fayetteville, North Carolina, and came to an agreement respecting the coöperation of the two States in regard to the matter. General Washington, who had visited the swamp and penetrated to Lake Drummond, said the scheme was feasible and showed his faith in the plan by becoming a stockholder to the amount of $500.

The object of the canal was to connect Pasquotank river in North Carolina, flowing into Albemarle sound, with Elizabeth river in Virginia. Eighty thousand dollars was deemed to be sufficient capital stock for the enterprise at first,[2] but in 1825 the company was authorized to increase its shares to such an amount as was necessary to complete the work.[3] The company was allowed to connect with Lake Drummond by means of a cross canal; the waters of the lake as a source of supply were vested in the company.[4] The property of the company was to be free from taxes, and tolls were to be levied according to a fixed rate. The idea of drainage was not lost sight of, and owners of adjacent lands that were in need of drainage might cut cross ditches into the main canal for this purpose.[5]

The canal itself was to be 32 feet wide and 8 feet deep below the surface of the earth and in dry seasons capable of

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[1] Moore's History, vol. i, p. 401.
[2] Laws of North Carolina, 1790.
[3] Ibid., 1825.
[4] Act of 1790, sec. 12.
[5] Ibid., sec. 14.

being navigated by vessels drawing three feet of water. From the character of the country through which the canal passed it was easy to secure enough water for the flatboats that passed through it. In very dry seasons an abundant supply could be gotten from Lake Drummond, which was only 3¼ miles from the route of the canal. Locks were to be 90 feet in length and 32 in breadth and capable of conveying vessels drawing four feet of water.[6] These provisions were afterward so changed as to make the canal the width necessary for vessels only fifteen feet broad.[7] In acccordance with this act the directors altered the canal to a width of 24 feet and a depth of 6 feet.

The agreement of the commissioners who met in Fayetteville in 1786[8] was confirmed. By this compact Virginia declared that the waters of Elizabeth river from the canal to the mouth, the waters of Hampton Roads, of Chesapeake bay to the capes and of that part of the Roanoke river lying in Virginia should be free forever for vessels belonging to citizens of the State of North Carolina. On the other hand North Carolina made a similar agreement in regard to the Roanoke, Meherrin, Nottoway, Chawan, and Albemarle sound.[9]

Work was soon begun and it was hoped that it could be completed in ten years,[10] but when the time was almost out it had to be extended five years more.[11] It soon seemed probable that other outlets would be necessary for the canal, on account of the increased trade expected from the improved condition of the work. Consequently the Virginia

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[6] Act of 1790, sec. 18.

[7] Laws of 1792, ch. 373. This act was in confirmation of one by Virginia in 1790.

[8] The commissioners were, for Virginia: Robert Andrews and John Cooper; for North Carolina: William McKenzie, James Galloway and John Stokes.

[9] Repealed—Laws of 1792, ch. 373, sec. 2. Every part of the act "concerning the regulation of commerce so far as the same is now invested in the Government of the United States shall be, and the same are hereby repealed."

[10] Act of 1790, sec. 19.

[11] Act of 1799, sec. 1.

Legislature gave permission to the company to clear out Northwest river from its junction with the canal, or to cut another canal to any point on the river.[12] Further permission was given the company to form necessary outlets in order to render it of general utility.

The State was determined that no obstacle should stand in the way of the successful operation of the canal. It was made to be used and nothing should prevent its being used. The counties of Camden and Pasquotank erected a bridge over the canal, but the Legislature ordered that a draw be placed in the structure at the expense of the State, in order that masted vessels could freely use the route. In case of a failure to have the bridge so built, the sheriffs of the counties were to have it removed.[13]

When Gallatin brought forward his scheme for internal navigation he called attention to this canal as of possible utility. It was not the shortest route from the Chesapeake to the Albemarle, but it was the most easily available. Furthermore, a large part of the work had been done. The difficulty lay in the size of the canal as it then existed. At that time the only boats that navigated it were flats forty feet long and six wide, which drew about two feet of water. These were used in carrying shingles—about 8000 at a load.

Part of the work had been done by contract at a rate of $4000 per mile. The rest had been done by negro labor with an overseer. The latter system was found to be much cheaper than contract labor and the work was done much better. Up to 1807 about $100,000 had been expended, of which Virginia furnished $17,500. It was then estimated that $25,000 would complete the work and pay all outstanding obligations. In the same year the company possessed six negro slaves. With an overseer, these were thought to be enough to keep the works in order when they were once completed. Two clerks were necessary to collect tolls

[12] Act of Virginia, 1818. This act was confirmed by North Carolina in 1825, ch. 33.
[13] Laws of North Carolina, 1828.

and these would bring the total expenses of the Company for a year to about $1500. The company also built a saw and grist mill that for some time brought in $600 to $800 per year.

On the west bank of the canal, along its whole length, a road was built. This road was 18 feet wide and was made from the mud and clay thrown up out of the canal. The company had the right to charge tolls for passage over this road.[14]

If this canal were to become of material importance it would need to be widened and deepened so as to allow vessels which navigated Albemarle sound to pass through it. In spite of the fact that so much work had already been done in clearing out rocks and stumps, Gallatin made the following estimate of cost for improving the canal so as to make it correspond to the plan of the Chesapeake and Delaware canal:

Widening, deepening and securing a uniform level—$8000 per mile	$176,000.00
Four stone locks	40,000.00
Canal to Lake Drummond, etc.	34,000.00
Total	$250,000.00

To Gallatin the Dismal Swamp Canal was of more importance than it has ever been considered since. It had a good local patronage, but it has never commanded extensive coastwise trade. It was devised as a local enterprise, at first, very probably, in order to get the fine timber of the

[14] The following tolls were charged for the use of the road: carts, 25c; wagons, 50c; four-wheel carriages, 50c; two-wheel carriages, 25c; man and horse, 12½c; every head of cattle, 6c; hogs and sheep, 2c each.

The following rates of toll were charged for the passage of freight through the canals: shingles—18 and 22-inch, 25c per thousand; 24-inch, 33c per thousand; 36-inch, 5c per thousand; barrel staves, 50c per thousand; hogshead staves, 75c per thousand; pipe staves, $1.00 per thousand; timber or logs, 6c each; wood, 25c per cord; boards, 50c per thousand; 1-inch plank, 50c per thousand; 2-inch plank, 75c per thousand.

swamp region, and later was adapted for the purposes of local traffic. It only became of national importance in connection with the scheme for continuous inland navigation along the whole coast.[15]

It was thought that the Pasquotank river was too difficult for the navigation of Albemarle vessels, and an attempt was made to open communication with the Chowan, which united with the Roanoke.[16] This route would have begun at Suffolk on the Nansemond river and would have skirted the western edge of the swamp to Bennett's creek, a branch of the Chowan. A company was incorporated for this purpose but the capital was never taken. So much work had already been done on the original route that it was thought best to continue that.

Thus for nearly a century the Dismal Swamp canal has afforded connection between the sections of two States. It performed the work for which it was originally intended until more efficient means of communication supplemented it. Its later history and recent developments in connection with it fall outside the period of our study.

OTHER CANALS

When John Stevens threatened to establish steamer lines in spite of the monopoly that had been given to Livingston and Fulton he secured a grant from North Carolina of the exclusive right to navigate the waters of the State. The

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[15] Industrial Resources, etc., of Southern and Western States, by J. D. B. De Bow, 1853.

That it was used for local trade may be seen from the following table of freight that passed through it from North Carolina to Norfolk from October 1, 1846, to July 31, 1847: Building shingles, 20,753,350; 2-foot shingles, 732,390; 3-foot shingles, 874,310; total, 23,360,050. Hogshead staves, 4,881,640; barrel staves, 284,520; pipe staves, 90,090; total, 5,256,350. Cubic feet of plank and scantling, 139,100; cubic feet of timber, 43,685; bales of cotton, 3,722; barrels of fish, 47,386; barrels of naval stores, 30,505; barrels of spirits of turpentine, 686; kegs of lard, 1,299; bushels of corn, 12,610,099; bushels of wheat, 26,225; bushels of peas, 21,956.

[16] American State Papers, vol. xx; Miscellaneous, vol, i, p. 763.

other company gave warning that his grant was illegal and proposed, as an offset to his schemes, to establish three lines in the South.[17] One was to run from Elizabeth City to Newbern; another, from Beaufort to Wilmington, and a third from Wilmington to Charleston. Every share of stock in the companies was taken by 1813.[18]

One of the passages which was to be used in accordance with this scheme was the Clubfoot and Harlow's Creek Canal.[19] This canal, which still exists, was first planned on a small scale in 1797.[20] In 1819, with a new charter, it was again attempted, but funds were too small, the State loan being inadequate. In 1826 the State made a loan of $12,000 out of the Internal Improvement Fund, in order that the Company might complete the canal.[21] The company was to pay one-half the loan back in ten years and the other in fifteen years. In the meantime the canal and other works of the company were to be given as security and the company was required to give bond that the loan should be applied to the liquidation of bona fide debts and to the completion of the route. In 1828 the State made an additional loan of $6000 for the completion of the work and the improvement of the part already begun.[22] By an act of 1820 the dividends arising from stock held by the State were to be applied to a fund for common schools.[23] But these dividends were not forthcoming to any considerable amount. There was a gradual yearly diminution of tolls due to increasing obstacles to navigation until the canal was practically worthless, and by 1834 it was thought that even if it were opened again the trade would not reimburse the State for its loan.[24]

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[17] McMaster: History United States, vol. iv, p. 400.
[18] Ibid., vol. iv, p. 401.
[19] Centennial address, by K. P. Battle, Raleigh, October 12, 1892.
[20] Report of Superintendent of Public Works, 1834.
[21] Laws of North Carolina, 1822, ch. 24. [22] Ibid., 1828, ch. 37.
[23] Laws of North Carolina, 1825, ch. 1.
[24] Report of Superintendent of Public Works, 1834. From December 3, 1827, to December 31, 1828, the gross amount of tolls was $640.23; while from January 2, 1833, to December 31, 1834, they were only $294.49. The whole amount from July, 1827, to December 31, 1833, was $2722.05.

By 1834 the tolls had decreased to $210.51, and it was estimated that three or four thousand dollars would have to be spent on the canal to keep it from soon becoming unfit for use.[25] By 1844 the literary fund of the State held shares of stock in the company to the amount of $15,000,[26] and the same year, the loans made by the State not having been repaid, foreclosure was ordered.[27] After the war the State still held its stock in the company, and the canal still furnishes passage for small vessels.

These two are the most important of the canal projects favored by North Carolina. There were several other schemes, but they, for the most part, had in view the connecting of some of the important rivers in order to furnish transportation routes for the country between water courses. These did not often materialize and the building of railroads put a stop to all such undertakings.

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[25] Report of stockholders, December 4, 1834.
[26] Treasurer's Report, 1844.
[27] Resolutions, 1844.

CHAPTER III

Railroads

The coming of the railroads into North Carolina opened a new phase in the question of internal improvements. It did not, it is true, at once suspend all plans for other kinds of public service. The idea of water transportation was too firmly fixed to be suddenly uprooted. Then, too, no one dreamed that the State would ever be crossed in so many directions by railroads. We have seen how President Caldwell's plan for a great central railway was never put into effect exactly as he planned it, and it was years before it was realized in any degree at all. In fact, it is only very recently that connections have been completed from Beaufort to Murphy. It was about two years after President Caldwell had proposed his scheme that the first railroad was incorporated, and this was only a charter confirming one already granted by the State of Virginia for the Petersburg Railroad.

The act of the State of Virginia [1] authorized $400,000 capital stock for a road to run from Petersburg to some point on the North Carolina line.[2] The point in North Carolina which was specified by the confirming act of the Legislature of North Carolina was "on the north side of the Roanoke river, where it first strikes the bank of the said river at a point not above the town of Weldon, nor below the town of Halifax," nor was the company "under any pretense whatever to extend the line of their road beyond the said point." [3]

The act also specified the rates to be charged. As soon as any part of the road was completed, the company was al-

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[1] Passed February 10, 1830; see N. C. Laws, 1830, ch. lvi.
[2] Act 1830, sec. 1. [3] Act of North Carolina, 1830, sec. 5.

lowed to charge 12½ cents per mile per ton of produce and other commodities. When the whole was completed, they might charge $8 per ton for the whole length of the road, "until the net profits received shall amount to a sum equal to the capital stock expended, with six per centum interest thereon from the time the money was advanced by the stockholders until received back in the net profits."[4] After such a sum had been collected, the rates were to be fixed and regulated by the Board of Public Works so that the road could earn six per cent on capital stock above running expenses. The charter of the road was to run sixty years, according to the act by North Carolina.[5] Three years after incorporation, the road was authorized "to construct a lateral railroad, from the point at which their present line of railroad may be crossed by the Portsmouth & Roanoke Railroad, or from such point in the neighborhood of same . . . to the basin at Weldon."[6]

The charter of this road was soon followed by the incorporation of others. Many of these did not materialize, while some have been in active operation ever since, and have contributed much to the opening up of the State. Of some of these roads, it will be best to give an extended account; of others, the mention of incorporation will be sufficient, while some must be allowed to rest undisturbed on the pages of the Acts of the General Assembly of North Carolina.

In the same year in which the Petersburg road was incorporated, a charter was granted by the Legislature of North Carolina to the "Fayetteville Railroad Company," which was to run from Fayetteville to Campbelton on the Cape

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[4] Act of Virginia, sec. 18. [5] North Carolina Act, sec. 10.

[6] Laws of 1833, ch. 80; see Railroad Commission's Reports. It will not be out of place to complete the history of this road. Its charter expired in 1891, and was renewed for two years on March 9th of that year. At the expiration of this time, it was at first refused a new charter, because the Wilmington & Weldon Company had leased it, and claimed that its exemptions extended to all its branch lines. The question was settled, and the charter was renewed March 1, 1893.

Fear.[7] The capital stock of the company was to be only $20,000, and the books were to be opened by the commissioners of the town of Fayetteville. These officials were also empowered to subscribe for stock in the road, provided it was so authorized by the voters of the town. To pay for the shares thus subscribed, the commissioners were authorized to levy a tax of not more than 25 cents on every poll, and 25 cents on every hundred dollars' worth of town lots and improvements. Or they might make a loan, for which they could issue scrip bearing 6 per cent. This act had but little importance, but was the first road incorporated exclusively by the State of North Carolina.

In 1833, "Doyle O. Hanilan and his associates" were authorized to build a road between the points mentioned in the original charter.[8] Whenever the State of North Carolina, or any company, should build a road westward from Fayetteville, they were authorized to connect with this road. When twenty miles should be completed, the road might be sold to the State or to a legally authorized company, the buyers to pay the owners the capital invested and ten per cent interest.

At the session of 1831-32 the following incorporations were made:

The Cape Fear and Yadkin Railroad Company,[9] which was chartered with a capital of $2,000,000, and was to run from Fayetteville to the Yadkin river, and thence by Salisbury to the Catawba river. In addition to this, the company was to be allowed to construct canals when necessary.

In the same year a company was chartered, which was to be known as the North Carolina Central Railroad Company, with a capital of $2,000,000.[10] The line conformed pretty closely to that suggested by President Caldwell. Possibly the enterprise may have been the result of his efforts. The

[7] Laws of North Carolina, 1830, ch. cvii.
[8] Ibid., 1833, ch. lxxiii.
[9] Ibid., 1831-32, ch. l.
[10] Ibid., 1832-33, ch. li.

company was granted the right to run a line of communication by railroad, or railroad and canal, from, at, or near Beaufort by Newbern and Raleigh, and thence through the central part of the State. The rates of toll which the company was allowed to charge were four cents per ton per mile on goods—merchandise, produce, etc.—and eight cents per ton per mile for transportation. Passengers were to be carried at a rate not exceeding six cents per mile for each passenger. Corporate powers were granted the company for a period of ninety years.

This was an attempt to build a road on a great scale entirely by private subscription. It did not succeed. It was several years before the road through the center of the State became a reality, and then it was by liberal State aid.

The Legislature directed that the Board of Internal Improvements or the Governor should have made a survey for the routes of the Central and Cape Fear and Yadkin companies. The sum to be spent on each survey was not to exceed $4000, and the State was to have stock equal to the amount spent.[11]

Another road of this same year was the "Tarborough and Hamilton." It was of local importance, with a capital stock of only $60,000.[12] This act was revived in 1835.[13]

In the next year there was chartered a company under the very curious name of "The Experimental Railroad Company."[14] It was to be located in Wake county, and it was given a charter for twenty years. Its character is revealed in the section which provided that the company should not charge more than two-thirds the price charged by wagons for the transportation of rock for use in the erection of any public State building. The road was to convey the building material for the new State Capitol.

One other incorporation of this year demands attention. This was the act which, with alterations, gave force to an

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[11] Laws of North Carolina, 1831, ch. 37.
[12] Ibid., 1831, ch. cxlvi.
[13] Ibid., 1835, ch. xxxi.
[14] Ibid., 1832, ch. lx.

act by the Virginia Legislature, by which the Portsmouth and Roanoke Railroad was incorporated.[15] This road was to run from the town of Portsmouth to some point on the Roanoke river. The capital stock of the company was $400,000, and the charter was to run for sixty years. In ratifying the act by the Virginia Assembly, the Legislature of North Carolina refused to give its consent to the elaborate method which the act adopted for giving the road the right of eminent domain. The North Carolina act provides for the company's obtaining land on which to run the road by means of a jury, which should lay off the road and assess the damages.

The road was to end on the bank of the river opposite Weldon, but the next year the company was empowered to extend the road across the Weldon toll bridge to the basin of the canal in Weldon.[16] This amending act curiously provides also that the company may carry the mails and passengers, and that it will not be incumbent on the road to stop for passengers to get off at any but regular stopping places.

In 1847 a new act of incorporation changed the Portsmouth and Roanoke to the Roanoke Railroad Company.[17] In 1848 the Seaboard and Roanoke, which had been incorporated by Virginia in 1847, was united to the Roanoke by an act of the same State. In 1849 the union was ratified by an act of the North Carolina Assembly.

There were nine new railroad companies incorporated by the Legislature of 1833, and several amending acts passed. Some of them are worthy of notice. One of these was the Fayetteville and Western Railroad,[18] or rather, as it was first incorporated, the Cape Fear, Yadkin and Peedee R. R. Co.[19] The capital stock was $500,000, and the road was to start at Fayetteville and run to the Yadkin river at the Narrows "in

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[15] Ibid., 1832, ch. xxv. The Virginia act was passed March 8, 1832.
[16] Laws of North Carolina, 1833, ch. lxxix. [17] Ibid., 1847, ch. 87.
[18] This name was authorized by Legislature in 1836.
[19] Laws of North Carolina, 1833, ch. lxxii.

a line leading in the direction of Wilkesbrough." The company was also to build a lateral line connecting the original line with the Peedee, and penetrating Mecklenburg and Lincoln counties. Also, they might extend another road into Randolph county by Asheboro. The company had the right to double its capital if necessary, and the State was to be allowed to subscribe two-fifths of the capital stock. In 1836 the capital stock was increased to $2,000,000, and the road was authorized to connect with the Charleston & Cincinnati road. It was also provided that in case the N. C. Central R. R. Co. should decide to intersect with the Fayetteville & Western, the latter should give preference in transportation to all commodities brought to it by the N. C. Central. The time limit of the corporation was placed at ninety years.

In 1836 the State agreed to subscribe two-fifths of the stock of the road, when three-fifths had been subscribed, and one-fourth had been paid in.[20] The Board of Internal Improvements was to appoint two-fifths of the directors of the company. By a subsequent act, the Board of Internal Improvements was authorized to subscribe on behalf of the State three-fifths of the stock when the other two-fifths had been paid in.[21] The first payment was to be made as soon as work was begun, and of the rest, one-fourth was to be paid every six months until all was paid. The Cherokee bonds and surplus revenue were to be used to meet the instalments, and in case of failure of these, the Board of Internal Improvements was to borrow $500,000. Immediately after the incorporation of this road, commissioners were appointed, who were authorized to raise $50,000 by means of a lottery. This they were to invest in the company in the name of the town of Fayetteville.[22] The road finally failed for lack of funds.

Another road chartered this same year was the Greenville and Roanoke.[23] This road was chartered with a capital of

[20] Ibid., 1836, ch. xxii.
[21] Ibid., 1838, ch. xxvii.
[22] Resolutions, 1833.
[23] Laws of North Carolina, 1833, ch. lxxiv.

$150,000, for the purpose of connecting the Petersburg road, at some point in Greenville county, Va., with the Roanoke river in Northampton county, N. C. After paying the expense of buildings, etc., the tolls were to be so regulated as to pay ten per cent dividends. The company was incorporated for ninety years, and the State promised that no future connections should be made to the injury of the road. In 1852, the union of the Greenville and Roanoke road with the Petersburg road was authorized.

Still another road incorporated in 1833 was the Halifax and Weldon.[34] This was a short road, with a capital stock of $50,000, to run from Halifax to Weldon, both in the county of Halifax. The dividends that were to be allowed on this road were fifteen per cent. In 1836 the company was allowed to add $10,000 to its capital stock. In the same year permission was granted the stockholders to subscribe their stock upon the books of the Wilmington and Raleigh Road, on terms agreeable to the two companies. The property held by the Halifax and Weldon should then pass into the hands of the latter road. By this act, the Halifax and Weldon was to pass out of existence.

In the same year also the Wilmington and Raleigh was incorporated,[35] which, as has just been noted, absorbed the Halifax and Weldon road. As the same implies, this road was to run from Wilmington to Raleigh. The connection thus established would be one of greatest importance, connecting, as it did, the capital of the State with the chief coast town. It was a project long dreamed of. The capital stock was to be $800,000, with the privilege of increasing it to $1,000,000, if branch roads were considered necessary by the company. Work was to begin on the road within three years, and the main line was required to be completed within twelve years, otherwise the charter would be forfeited. An amending act, two years later, gave the company the privilege of increasing the stock to $1,500,000.[36] The act fur-

[34] Ibid., 1833, ch. lxxv.
[35] Ibid., 1833, ch. lxxviii.
[36] Ibid., 1835, ch. xxx.

thermore gave the stockholders the right to run the road to the Roanoke river, instead of Raleigh.[27] This was done with a view to making connection with the Petersburg and Norfolk road. The company was also given the right to run boats between Wilmington and Charleston.[28]

The same act which gave aid to the Fayetteville and Western made the same terms to the N. C. Central and the Wilmington and Raleigh.[29]

The State was to subscribe two-fifths of stock when the remainder was assured. The terms of payment were the same as those granted the Fayetteville and Western. The difference is that as the latter was not built the State was not held to its promise, but it was obliged to carry out the contract in regard to the Wilmington and Raleigh.

In 1840 the road was allowed to issue bonds to the amount of $300,000, and the credit of the State was pledged for the payment of the interest.[30] The State was to have a mortgage on the road, and in case of a failure of the company to pay its bonds, the mortgage was to be good for them.

In 1844 the State held, for the literary fund, $137,000 of the bonds of the Wilmington and Raleigh, besides 6000 shares of stock in the same.[31]

When the road was completed in 1840 it had come to be known as the Wilmington and Weldon, since it had been diverted from the original plan of running to Raleigh. It was then one hundred and forty-six miles in length, and "was then one of the longest roads on the continent, and, indeed, was longer than any at that date in Europe."[32]

In 1852 the State received $12,000 as its share of the dividend paid by the road. The road was then paying six per cent on stock,[33] and also in 1854.[34] In 1855 the State received $28,000 from the road, and the two following years it

[27] Ibid., 1835, ch. xxx, sec. 2. [28] Ibid., 1835, ch. xxx, sec. 4.
[29] Ibid., 1836, ch. 22. [30] Ibid., 1840, ch. 1.
[31] Report of Public Treasurer, 1844.
[32] North Carolina and its Resources, issued by State Board of Agriculture, 1896, p. 213.
[33] Treasurer's Report, 1852. [34] Senate Documents, No. 29, 1854.

received the same amount, besides the interest on the bonds held by the State, which amounted to $6270, in 1857. In 1858 dividends amounted to $26,000, and interest on the bonds to $3135 for the literary fund, and $3000 to the public fund.[35] In 1860 dividends from the road amounted to $210,632.[36]

To epitomize the early history of the road: It was incorporated in 1833; work was begun 1836, and it was completed 1840. The State took $600,000 stock, and in 1840 endorsed the bonds of the company to the amount of $300,000. Repairs to the road in 1850 raised the cost of the road to another million.

Mention must also be made of the "Roanoke and Raleigh" Company, which was incorporated with a stock of $600,000, to connect Weldon or Halifax with the capital city, by means of a railroad, or by railroad and canals.[37]

Another road incorporated was the "N. C. Centre and Seaport Railroad Company," which was to run from Beaufort to Raleigh, or to a point where it should intersect the Wilmington and Raleigh.[38] The capital stock was $1,000,000. This was another effort to secure connections with the coast for Raleigh.

This year of 1833 may be considered the year in which began the great era of attempted railroad building in North Carolina. None of the roads of that day have figured much in the history of the State, except, perhaps, the Wilmington and Raleigh, or, as it was later called, the Wilmington and Weldon. From this time on, it will only be possible to consider the most important roads that were chartered.

One of the roads incorporated in 1835 was the "Roanoke, Danville and Junction Company."[39] This road was incorporated with a capital stock of $2,000,000, and its purpose was to make a railroad "from a point intersecting the Peters-

[35] Comptroller's Statement, 1855, 1856, 1857, 1858.
[36] Governor's Message, 1860.
[37] Laws of North Carolina, 1833, ch. lxxvi.
[38] Ibid., 1833, ch. lxxvii.
[39] Ibid., 1835, ch. xxix.

burg and Roanoke, the Portsmouth and Roanoke, and the Greenville and Roanoke Railroads; or to such other points on either side of the Roanoke river as may best secure to the proposed route all the advantages of said roads through Danville, to some point within or near the town of Evansham," in Wythe county, Va., and from this point to the Tennessee line.

The same year was incorporated the "Cincinnati and Charleston Railroad Company."[40] Its purpose is revealed in its name. A connection was to be established between the cities of Cincinnati and Charleston by a road passing from South Carolina through North Carolina, Tennessee and Kentucky into Ohio. The capital stock was to consist of sixty thousand shares of one hundred dollars each. The company was to build "a railroad, with one or more tracks, to be used with steam, animal, or any other power," as speedily as possible. The stock, dividends, and property of the company were to be forever exempt from taxation. By an amending act in 1836 it was provided that the road was to pass up the valley of the French Broad, and cross the Blue Ridge into Rutherford county, N. C.

This road was known in Kentucky by the name of "The Louisville, Cincinnati and Charleston," and this name was adopted by North Carolina in 1836. The act which changed the name also conferred banking privileges on the road.[41] Its stockholders were to organize under the name of the "Southwestern Railroad Bank," but were to be a separate body politic. Each stockholder, and every person who became one until the stock of the road was increased to $12,000,000, should be entitled to a $50 share in the bank for every share of $100 held in the railroad company. Thus, the capital of the bank would amount in the first instance to $6,000,000. The capital and officers of the bank and road were to be separate; the banks was not to be liable for the road, but the road was liable for the bank in case of failure. Each share

[40] Ibid., 1835, ch. xxvi.

[41] Ibid., 1836, ch. ii.

of stock in the bank was inseparably connected with a share in the railroad company. The principal bank was to be located in Charleston, but permission was given to locate a branch in North Carolina.

Other roads incorporated this same year were the "Raleigh and Fayetteville," with a stock of $8,000,000,[42] and the "Milton and Salisbury," with a stock of $500,000.[43] But the act of greatest importance this year, in fact, more important than any incorporation which had taken place up to this time, was that which gave birth to the road which was known as the "Raleigh and Gaston Railroad."[44] This road was to effect communication between the city of Raleigh and the termination of the Greenville & Roanoke road at or near Gaston, formerly called Wilkins' Ferry. For this purpose a capital stock of $800,000 was authorized, with the privilege of increasing to $1,000,000. The grant was made for a term of ninety years. A curious provision declares that the company "shall give no undue preference in transportation to the property of one person over that of another, but as far as practicable shall carry each in the order of time in which it shall be delivered or offered for transportation."

This was the origin of this company, but this charter by no means tells the story of the road. In a short time an act had to be passed for the relief of the road. A memorial from the road asked that the State either take $500,000 stock, or loan its credit. The Senate committee on the subject reported that they considered it a good investment, and accordingly an act was passed for this purpose. This act allowed the company to execute bonds to the amount of $500,000.[45] The faith of the State was pledged for the semi-annual payment of interest at six per cent. The principal was also guaranteed by the State. This debt was not redeemed before January 1, 1860. The State was to hold a mortgage on all the property of the road in order to secure

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[42] Ibid., 1835, ch. xxvii.
[43] Ibid., 1835, ch. xxv.
[44] Ibid., 1835, ch. xxviii.
[45] Ibid., 1838, ch. xxix.

it against the payment of the bonds. If the bonds were not paid after 1861, the mortgage was to be foreclosed.

It was further provided that any time within seven years after the completion of the road, the State, if it chose, could take stock to the amount of five thousand shares, which should be a full equivalent for the liability of the State for the bonds, and the mortgage should be surrendered. Power was also granted to increase the capital to $1,500,000. "If by reason of any loans of money obtained in Europe or elsewhere," the amount of bonds authorized should be more than sufficient, the company was to surrender to the State Treasurer the unnecessary bonds.

The State soon could congratulate itself on the completion of two railroads, the completion of its capitol building, and the prospect of reclaiming the swamp lands, and the prospect of a public school system.[46] All seemed to point to a new era. The one drawback was the fact that the railroads were in debt.[47] Within a few years the literary fund of the State held $165,300 in bonds of the Raleigh & Gaston, and five hundred shares of stock. It was seen that the union of the Wilmington and Weldon and the Raleigh and Gaston was of vital importance to the success of both.[48] The truth of the matter is that the question of railroads had gotten into politics. There were some who proclaimed that the railroads were the tools of the rich,[49] and with such a doctrine it was easy to stir up prejudice against the incorporation of new roads. The lines already run had not met the great expectations that had been roused by the inauguration of the system. By some it was declared that the State had aided various companies, but these corporations had secured all the profit, and left the State to bear the loss.[50] The friends of the roads claimed that the lines had been

[46] Governor's Message, 1840.
[47] Ibid.
[48] Senate Resolutions, December 14, 1840.
[49] Minority report of Committee on Internal Improvements, 1843.
[50] Majority report of Committee on Internal Improvements, 1843.

successful and that the people of the State had been benefited by them. The truth is that too great results were expected, and that when the short lines that were in operation failed to bring all the advantages of great trunk lines, they were considered a failure.

There is no doubt, however, that there was much room for complaint. A quotation from Moore's History will explain conditions of that day:[51] "Our railways, in 1848, were a reproach to the State. The Seaboard and Roanoke Company was utterly prostrate, and its route no longer open to traffic and travel. The condition of the Raleigh and Gaston was almost as bad. The wheezy old engines still drew, painfully and slowly, a few coaches over the rugged and broken track. Amid dust and smoke and constant breaking down, the whole day was generally consumed in passing over the eighty miles between the hamlet at Gaston and the State capital. The Wilmington and Weldon[52] route was in somewhat better plight."

In 1852 the Raleigh and Gaston had passed from under the control of the State,[53] and an effort was being made to repair it. The State still owned stock in it, and it was hoped that instead of being a drain on the treasury, as heretofore, it would be an aid to it. The business was growing, and it was expected that for the years 1853 and 1854 the State would receive $20,000 on its shares.[54] The Weldon and Gaston road was being constructed. This would connect the Raleigh and Gaston with the Seaboard and Roanoke, thus connecting it with the ocean. The Weldon and Gaston was a part of the Raleigh and Gaston, and the dividends of the former would be added to those of the parent road. Within two years the Raleigh and Gaston was paying six per cent dividends.[55] In 1856 the State received $1500 from the road,[56] arising from the bonds held by the State. In 1857

[51] Vol. ii, p. 71.
[52] Still called at that time Wilmington & Raleigh.
[53] Governor Reid's Message, 1852.
[54] Treasurer's Report, 1852.
[55] Senate Documents, No. 29, 1854.
[56] Comptroller's Statement, 1856.

the State received $16,800 interest,[57] and $29,250 dividends.[58] The next year the interest on bonds was $8400. In 1860 dividends from the road amounted to $97,330.[59]

From this time on, the Raleigh and Gaston figures considerably in State history, being declared exempt from taxation, except its share of stock, and finally surrendering this exemption. It will be necessary to drop the account of the road here, as the latter part of its history falls outside the period under consideration. But to summarize in a few words the origin of the road: It was incorporated in 1835, and finished in 1839. The first cost was about $1,600,000. In 1838 the State indorsed its bonds to the amount of $500,000, and in 1840, $300,000 more. When the road was sold under mortgage it was purchased by the State. After extensive repairs, about 1848, its business increased, and it paid very satisfactory dividends.

Some of the incorporations of 1836 must be mentioned: The Raleigh and Columbia road was to run from the terminus of the Raleigh and Gaston to South Carolina line near Rockingham. It was granted a capital stock of $1,000,000, and its charter was to run for ninety years.[60]

The Norfolk and Edenton was also incorporated this year, with a capital stock of $450,000, to connect the towns indicated by the name. It was likewise to enjoy the benefits of its charter for ninety years.[61] Another attempt to carry out the Central Road scheme was made this year when the North Carolina Central Railroad was incorporated.[62] Its capital stock was $2,000,000, and it was to run from Beaufort, through Newbern, near Trenton, and thence through the State to the Tennessee line. Or it might run by the best route possible to Fayetteville, and intersect with the Cape Fear, Yadkin and Peedee road. But the State was not yet ready to give aid to this kind of a road, and the Central Road idea had to wait still longer for its realization.

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[57] Ibid., 1857.
[58] Ibid., 1858.
[59] Governor's Message, 1860.
[60] Laws of North Carolina, 1836, ch. xl.
[61] Ibid., ch. xlvi.
[62] Ibid., 1836, ch. xlvii.

Other incorporations in the following years were the North and South Carolina Railroad Company, the Wilmington and Manchester, and the Charlotte and South Carolina Railroad Company.[83]

All these, however, are quite insignificant in comparison with another undertaking upon which the State soon entered. In the face of the apparent failures of the other roads, and the outcry against railroads, the State chartered the North Carolina Railroad Company, January 27, 1849.[84]

The struggle which brought about this result is one of the most interesting in the history of the State.[85] The middle and eastern parts of North Carolina had used the credit of the State to build the Raleigh and Gaston and the Wilmington and Weldon. But the west still lacked transportation facilities. Several things besides justice demanded the building of the proposed line. In 1845 the Piedmont section of the State suffered from a severe drought. This emphasized the necessity of some connection between the East and West. In the stricken section crops were virtually a failure. Corn rose from 50 cents to $1.50 per bushel. "At the same time, all through the East, corn was rotting in the field, and fish were used to manure the land."[86] But the lack of transportation made it almost impossible for the West to use the products of the East, or, at best, rendered the transfer of produce very expensive.

Despairing of assistance from her own State, Charlotte, in 1845-46, began to look for help from the South, and to agitate the question of a connection with the railroad system of South Carolina. At the same time Richmond was trying to extend lines so as to reach the border counties on the north.

Governor Graham did not hesitate to say that North Carolina's transportation facilities were the worst in the Union.

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[83] Ibid., 1846-47, chs. 81, 82, 84.
[84] Ibid., 1848-49, ch. 82.
[85] See History of N. C. R. R. Co., by R. Barringer.
[86] Barringer.

To quote again: "The Raleigh and Gaston had utterly broken down, and was near a standstill; the Wilmington and Weldon was threatened with default, and the State was in the lurch for both." In spite of these evil conditions, Governor Graham advised a line of road from Raleigh to Salisbury, to be extended to Charlotte. He also suggested limited State aid. He thought this would save the Raleigh and Gaston, and prevent loss to the State on the latter road.

In the Legislature the fight was long and bitter. A line, known as the "Danville Connection," was proposed. All this company desired was the "naked charter." They did not want a cent of aid from the State. When the Dix bill for an asylum passed the Legislature, the friends of the railroad bill felt more hopeful. They regarded it as a step in the right direction—perhaps progress might win.

The author of the bill was W. S. Ashe, an Eastern Democrat, but a friend of the West.[87] The bill passed the House and went to the Senate. When the roll-call was completed on the vote in the Senate, it was found to be a tie. Speaker Graves was equal to the occasion and voted for the bill, and it passed.

The route of the road was to be from the Wilmington and Weldon, where it crosses the Neuse, to Charlotte, by way of Raleigh and Salisbury. The act authorized a capital stock of $3,000,000, and provided that when one-third had been subscribed and at least $500,000 had been paid in, the Board of Internal Improvements should subscribe for the remaining two-thirds for the State. Payments were to be made, one-fourth when the company began work, and one-fourth every six months until all was paid. The act further provided for borrowing money for the purpose, and appointed directors for the State.

Such was the beginning of the enterprise which has been so closely connected with the history of the State since. It appears that a reaction came near taking place in 1850. A

[87] Moore's History, vol. ii, p. 72.

resolution of the House[68] disclosed that it was inexpedient to build the road at that time, because a majority of the freemen of the State were against it, and the stockholders were requested to give up their charter before January 1, 1851. A Senate resolution, however, in 1854, voices its pleasure at the construction of the road, and says that it was the first step in a great system since approved by the people.[69] The work of the road was begun, and it was carried forward amid many vexations.

In 1854 the treasurer of the State was authorized to subscribe for $1,000,000 worth of preferred stock. All real estate of the company was to be exempt from taxation until the dividends should reach six per cent.[70] Two years later bonds of the road to the amount of $350,000 were made exempt from taxation also.[71] The road was completed in 1856. Four years later dividends from it amounted to $270,000.[72]

Its final extension to Asheville and beyond was begun in 1854, when the Western North Carolina Railroad was incorporated. According to an estimate made that year,[73] the cost of the North Carolina and Western North Carolina road by the Swannannoa route would be $7,383,863. This part of the road was completed first to Morganton, and then, after many delays on account of the war, and afterwards from lack of funds, it was completed to Asheville. Here it splits. One branch, going by Paint Rock to Tennessee, was completed in 1882; the other, to Murphy, in 1890. The length of the road from Goldsboro to Charlotte is two hundred and twenty-three miles. Total length from Beaufort to Murphy is five hundred and thirty-eight miles.

Since the war the road has been constantly before the public—first, in the days of reconstruction, when the Western branch afforded abundant field for fraud, and since then, in politics in various ways. In 1871 it was leased to the

[68] House Resolution, November 27, 1850.
[69] Senate Resolution, Document No. 29, 1854.
[70] Laws of North Carolina, 1854, ch. xxxii.
[71] Ibid., 1856, ch. xxxii.
[72] Governor's Message, 1860.
[73] Walter Gwynn, Chief Engineer.

Richmond and Danville for thirty years at a yearly rental of $260,000. In 1895, after a sharp contest, it was leased for ninety-nine years to the Southern Railway. The State now owns three-fourths of the stock.

Of the roads incorporated between 1848 and the war, mention only will be made.

The Great Western River and Railroad Transportation Company in 1850 to improve Deep and Yadkin rivers, and connect the two by a railroad.

Tennessee River Railroad Company.

Newbern and Central.

Roanoke Valley Railroad Company.

Atlantic and North Carolina Railroad Company.

Charleston, Blue Ridge and Chattanooga R. R. Co.

Western Railroad Company.

Cheraw and Coalfield Railroad Company.

Albemarle and Suffolk Railroad Company.

Mountain Railroad Company.

Southern Air Line Railroad Company.

Salem and Germanton Railroad Company.

Gorysburg and Windsor Railroad Company.

The following table will illustrate the growth of railroad mileage in North Carolina:[74]

1840	53 miles.
1841-48	87 miles.
1849	154 miles.
1850-51	283 miles.
1852	350 miles.
1853	420 miles.
1854	570 miles.
1855	582 miles.
1856	691 miles.
1857	733 miles.
1858	849 miles.
1859-62	937 miles.

[74] This table will be found in "North Carolina: Her Past, Present, and Future," an address by J. H. Wheeler at State University in 1870.

This brings the history of railroads up to the war. From this point forward the question is one of increased importance. In reconstruction days it was one that stirred the bitterest feelings. Since then it has furnished its share of variety in the political activity of the State.

CONCLUSION

In this brief study we have seen how the movement for Internal Improvements in North Carolina was rendered necessary by local conditions. We have noted how the State at first encouraged private companies and then offered them aid, and finally, as in the North Carolina Railroad, it took the initiative. It has also been shown how the State established a fund for Internal Improvement; the sources of the fund, its amount, and its gradual decrease. The effect of the general movement for Internal Improvement in the country at large was deeply felt in North Carolina and produced emulation to catch, first, the Western trade, and then the traffic of the Atlantic Coast. Failure was due to the lateness of the hour of beginning.

The political aspect of the question and its vital connection with the growth of democratic sentiment and the amending of the old aristocratic constitution is a matter of permanent importance. Economic changes came about by slow degrees. Many of the companies founded in this period are long since dead and the only very important part of the internal improvements of North Carolina still existing is the railroad system. To this the State contributed at an initial loss, but laid the foundations for the yet undetermined future.